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South African Railway Administrations.

MINUTES OF MEETINGS

OF

CONFERENCE

Held in the RAADZAAL, BLOEMFONTEIN,

MARCH 1903.

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CONFERENCE

OF

South African Railway Administrations.

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MARCH, 1903.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, SATURDAY, 14th MARCH, 1903.

PRESENT:—

Lieutenant-Colonel Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).	
Hon. Arthur Douglass, M.L.A., Commissioner of Public Works, T. S. McEwen, Esq., A.M.I.C.E., General Manager of Railways,	Cape Colony.
Right Hon. Sir Albert Hime, K.C.M.G., P.C., Prime Minister, Sir David Hunter, K.C.M.G., General Manager of Railways,	Natal.
T. R. Price, Esq., C.M.G., General Manager,	Central South African Railways.

THE CONFERENCE OPENED IN THE RAADZAAL, at 4 p.m.

Sir Percy Girouard, on behalf of His Excellency the High Commissioner, welcomed the Members to the Conference.

The Right Hon. Sir Albert Hime, and the Hon. Mr. Douglass briefly replied.

1.—RATES FOR CARRIAGE OF RAILWAY STORES AND RAILWAY COAL.

The Chairman mentioned that this question was specially brought forward in view of the large Construction programme which his Administration had in hand and in contemplation. He hoped it was the desire of the Coast Colonies to convey Railway Stores and Material at the actual cost of haulage, as, eventually, the Maritime Colonies would gain by the Railway Extension of the Interior Colonies. The Tariff for this traffic was, from Natal 1d. per ton per mile for stores and materials, and from the Cape nine-tenths of a penny per ton per mile for the Orange River Colony, and 1d. per ton per mile for Transvaal Stations, as opposed to one-seventh of a penny per ton per mile charged on Coal carried over the Central South African Railways to Cape Railway Stations. If they accepted the one-seventh of a penny as covering actual cost of haulage, and it was the opinion of Mr. Price that it did, though he must say he was dubious about its doing so himself, then the disproportion of the Natal and Cape charges, notwithstanding the heavy gradients, was apparent.

After considerable discussion, neither the Cape nor Natal Administrations were prepared to reduce the existing charges, maintaining that their present charges represented actual cost of haulage over their respective Administrations. It was understood that the General Managers of the Administrations concerned would cause the Commissioner of the Central South African Railways to be supplied (through the General Manager) with figures in support of the charges made by them.

2.—REDUCTION OF RATES IN THROUGH TRAFFIC.

In the course of a preliminary discussion, Mr. Douglass enquired whether, in the event of the proposed or other reductions in Through Rates being mutually agreed to, it was to be clearly understood that the difference in favour of any one route in through traffic would not be exceeded—for instance, the difference in the Rate to Johannesburg *via* Delagoa Bay was 8d. Normal ; 9d. Intermediate ; and 9d. Rough Goods per 100 lbs. in favour of Delagoa Bay, while the Rates from Durban and East London were equal, and from Port Elizabeth 5d. Normal ; 5d. Intermediate ; 4d. Rough Goods per 100 lbs. higher. Was it understood that these differences would not be exceeded except by mutual consent.

The assurance was given that in the event of an Agreement in regard to the reduction in Through Rates being come to, this principle would be maintained by the Central South African Administration.

Sir Albert Hime raised the question of the division of the Through Rates between the several Administrations, and pressed for a re-consideration of same. The Chairman in reply mentioned various reasons why the present division should continue to obtain, and intimated that, in any case, the question was one it was not open to him to enter upon.

The Chairman mentioned that the object of the Transvaal and Orange River Colony Governments was to reduce the present very high cost of living in the two Colonies, and more especially in Johannesburg. He referred to the fact that at the recent meeting of the Customs Union Conference the Prime Ministers of Natal and the Cape had practically consented to make a reduction of 25 per cent. in through rates on foodstuffs, and after enquiring what was understood to be included in the term, asked whether these Administrations were now prepared to agree to an all round reduction to this extent.

Sir Albert Hime objected to an all round reduction but adhered to the offer provisionally made at the Customs Conference by his Administration, to reduce to the extent of 25 per cent. Natal's proportion of the through Rates on foodstuffs, as set forth in the Customs Union Tariff.

Mr. Douglass, on behalf of the Cape, also offered to adhere to a similar reduction offered by his Government at the Customs Conference, provided that was all the reduction to be made in through rates ; but it was pointed out that the Cape through rate per ton per mile on imported produce to the Transvaal was considerably in excess of the Cape through rate on imported produce to the Orange River Colony, and the same rate charged on imported produce in local traffic throughout the Cape Colony, so that, if the twenty-five per cent. reduction was only applied to the Transvaal, it would still make the Cape proportion of the through rate higher per ton per mile than it charged in its own local traffic and in the rate to Orange River Colony Stations ; while, if it applied also to the rate for the Orange River Colony traffic, it meant that in the case of imported produce consigned to the Orange River Colony, the Cape would only charge ¾d. per ton per mile.

The Chairman mentioned that it was the intention to make the Central South African Railways Produce rate 1d. per ton per mile throughout those Railways, and be equally applicable to imported and South African Produce, so that should the Cape adhere to charging a lower rate for imported produce to the border than the proportion of the through rate it claimed, consignees would naturally consign to the Border and re-consign to destination. This led to considerable discussion without any definite result ; and on the suggestion of Mr. Douglass it was decided to proceed to the discussion of the further descriptions of traffic upon which a reduction in the present rates was desired.

The Chairman read a list of articles which it had been agreed at the General Managers' Conference, Johannesburg, subject to confirmation by Administrations concerned, to transfer in Classification from Normal to Intermediate, and from Intermediate to Rough Goods respectively, at the same time intimating that the Central South African and the Portuguese Administrations had confirmed the reductions, that Sir David Hunter had done so verbally, and only the consent of the Cape was awaited.

Sir Albert Hime confirmed on behalf of the Natal Government the assent given by Sir David Hunter, but Mr. Douglass was understood to desire time for further consideration.

The Chairman said, in the event of the proposals submitted being approved, no reduction in the Normal and Intermediate through rates would be made, but he submitted, in view of the extent building and other industries would be benefitted, the Rough Goods Rate should be lowered by a percentage reduction, the amount of which could be fixed after discussion. He mentioned some further proposals to transfer certain articles from the Normal to Intermediate Rate, and Intermediate to Rough Goods Rate, which he would bring forward at the next meeting; and, in response to an enquiry, promised to furnish to the Members of the Conference, for their private information, the detailed proposals of the Central South African Railway Administration, which had been read by him during the Conference.

After discussion, the further consideration of the question was postponed until 9.30 a.m., Monday.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, MONDAY, 16th MARCH, 1903.

PRESENT :—

Lieutenant-Colonel Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. Arthur Douglass, M.L.A., Commissioner of Public Works } Cape
T. S. McEwen, Esq., A.M.I.C.E., General Manager of Railways } Colony.

Right Hon. Sir Albert Hime, K.C.M.G., P.C, Prime Minister } Natal.
Sir David Hunter, K.C.M.G., General Manager of Railways }

C. H. Albers, Esq., Engineer-Director — Caminho de Ferro de Lourenço Marques.

T. R. Price, Esq., C.M.G., General Manager — Central South African Railways.

Minutes of previous Meeting read and approved, as amended.

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2. REDUCTION OF RATES IN THROUGH TRAFFIC—*(Continued).*

The Chairman, in resuming discussion on this subject, said : Before bringing forward my proposals formally, as promised at Saturday's meeting, I wish to impress upon the Conference the great importance my Administration, and the districts it serves, attach to a reduction on the rates for certain articles, more particularly foodstuffs and articles of general consumption as food. I doubt if on any other Railway Administration the articles which I now ask to be re-classified are rated in such high classes, more particularly as regards groceries. I now wish to lay before the Conference my proposals, which can be discussed in any order the Conference wish.

In connection with the question of Railway Rates, the Administration under my charge has recently reduced its goods rates on local traffic by about twenty per cent. on an average. A very strong and general feeling prevails throughout the two new Colonies that the through rates are much too high, and that they should be reduced by at least twenty per cent. in the aggregate, it being maintained that the high cost of living and house rent in the Transvaal and Orange River Colonies are largely the result of the high through goods rates obtaining. While it is more than probable that the extent to which the present rates operate adversely on the cost of living and of house rent, is considerably over-estimated, yet it is exceedingly difficult to defend that articles of daily consumption are, almost without exception, carried at the highest rate in the Tariff Book, while, similarly, the tools of tradesmen, and many like articles, are also carried at the normal or highest rate.

Whatever reasons may have obtained in the past to call for such a course—and altogether apart from its being so contrary to general Railway practice—the present conditions and the urgent need of cheapening the cost of living and of house rent in the two new Colonies, render the continuance of the high rates being charged, obviously impossible. For the same reason a reduction in the Railway rates for building material is represented as a pressing need. Under these circumstances it has been thought that, in preference to an all round reduction of 20 per cent. on all through rates, a substantial reduction on the articles indicated in my proposals to follow, leaving the rates for what may be looked upon more or less as luxuries, and also Mining Machinery, etc., unaltered for the present, would best meet the requirements.

PREFERENTIAL RATES.—Having regard, firstly, to the view of the Imperial Government that differential rates are not advisable, and secondly, to the Resolutions passed by the Associated Chambers of Commerce in their Session at Kimberley (December, 1902), as follow:—

> "*It is desirable in the best interests of trade and commerce in South "Africa that the several railway administrations of Cape Colony, Natal, "Orange River Colony, Transvaal and Rhodesia, should at an early date "take into consideration the re-adjustment and reduction of railway rates "throughout the whole of British South Africa, and that in such reduction "and re-adjustment this Congress would urge:—*
>
> "*1. That preferential rates for South African produce and manufactures should be abolished.*
>
> "*2. That a material reduction should be made in the rates for foodstuffs, building material, and rough goods generally.*
>
> "*3. That a simple and uniform classification be adopted throughout South Africa.*
>
> "*4. That the policy of raising revenues through excessive railway rates is an objectionable method of taxation.*"

it is proposed, in so far as the Central South African Railways are concerned, to adopt proposal No. 6 (*vide Annexure A.*), whereby uniformity will be obtained in the rates for the carriage of South African produce. The rates are now, on the Cape Government Railways ½d. per ton per mile, on the Natal Government Railways 1d. per ton per mile, on the Orange River Colony section of the Central South African Railways ½d. per ton per mile, and on the Transvaal section a varying rate up to 2d. per ton per mile.

The Chairman then placed before the Conference the proposals of his Administration (*vide Annexure A.*).

Sir Albert Hime referred to a telegram sent by the High Commissioner on the 19th December last to Natal and the Cape Colonies, suggesting an all round reduction of 20 per cent., provided that no rate was brought below 1d. per ton per mile, and to the reply of his Government that, as these proposals affected the very important principle of railway rates, they should not be dealt with by correspondence, but be referred to a Conference of the Governments concerned. Sir Albert read extracts from the High Commissioner's reply to that despatch, to the effect that the latter would be quite agreeable to such a Conference, provided the question was a permanent revision of the tariff; but, as he was advised that such revision would take at least six months' time, and possibly longer, he repeated his request that the Coast Colonies should agree to a 20 per cent. reduction all round. In view of that opinion, Sir Albert thought it unfair that a long list of some 150 items should be sprung upon them, which would probably entail the adjournment of their own and the Customs Conference. He asked the Chairman for some alternative suggestion in the direction in which Lord Milner indicated, as he could not consider it satisfactory to be asked to deal forthwith with questions which Lord Milner's Railway advisers considered would require at least six months' attention.

The Chairman said Lord Milner's opinion was not intended to mean that the question of foodstuffs, groceries, and building material could not be looked into now.

He had certainly advised the High Commissioner that an all-round revision and re-classification of every item in the classification or carried by the railway, would take a considerable time to consider in detail, but he repeated, that was no reason why the question of foodstuffs, groceries, building material, and such like should not be looked into by this Conference, and he hoped, in justice to the high cost of living in the interior Colonies, reductions in the rates for such traffic would be considered.

Sir Albert Hime thought only about a third of the 150 articles detailed in the Chairman's proposals could be classified as foodstuffs.

The Chairman asked if Sir Albert would be prepared to look into the question of grocery items. Sir Albert replied that he would, provided the others stood over, but the Chairman said he must urge upon the Conference to go into the whole of the imported produce, groceries and building material lists at least, with a view to a substantial reduction in the rates for these articles.

Mr. Douglass thought the proposals brought forward by the Chairman were most sweeping alterations. The classification now in existence had been working most smoothly and fairly for the past seven years, and should only be touched with the greatest care.

The Chairman remarked that Mr. Douglass was speaking of the smooth working of the railway administrations, not of the demands of the population. The General Managers themselves proposed to re-classify a considerable number of articles and seemed to find no difficulty; the only member who could not endorse the alterations was Mr. McEwen, and that only because he had to refer to his Government.

Mr. Douglass thought that the General Managers had gone beyond what was intended to be the scope of their Conference.

Mr. Price said that, as Chairman of that Conference, he took exception to that statement, and appealed to Sir David Hunter if the practice followed had not been in accordance with precedent of General Manager's Conferences and practice in dealing with such matters. He went further and said that only on this occasion was the Cape General Manager debarred from taking the action it had been usual to adopt at these Conferences.

Sir David Hunter supported what Mr. Price had said and added that the articles which had been re-classified had been the subject of correspondence and consideration, extending in some cases over the last two years. He further explained that the recommendations of the Conference were subject to the confirmation of the Governments concerned.

Sir Albert Hime thought that it was necessary to have considerable time to consider the reductions now proposed by the Chairman in order to ascertain the probable amount involved. He did not think Sir David Hunter would be prepared to state off-hand what the amount was.

The Chairman said the intricacies of the question were such that even if the General Managers formed themselves into a sub-committee now he did not think they would be in a more favourable position to judge the situation.

Mr. Douglass said he understood the Chairman to say at Saturday's meeting that he estimated the reductions offered by the Central South African Railways to be equal to 16 per cent. on the total railway revenue.

The Chairman assented and remarked it might be more or less: it was only an estimate.

Mr. Price thought it would probably be less.

Mr. Douglass said he did not see his way to go into the Chairman's proposals: they would take many months to consider; but he was prepared to submit proposals which could be considered in a very short time, and which, he thought, would meet the requirements which were brought forward by the Transvaal and the Orange River Colony. They would give a most substantial reduction in the cost of living, and would serve as a good basis for a permanent settlement. His proposals were:—

(*a*) That the rate for the carriage of railway stores shall be nine-tenths of a penny per ton per mile, and that the rate for the carriage of railway coal in trucks otherwise returning empty shall be one-seventh of a penny per ton per mile, but where trucks are specially worked back north to bring back coal, the rate shall be 6s. per ton extra.

(*b*) That the rates from Delagoa Bay, Durban, and East London be fixed at the present through rate from Delagoa Bay to the Transvaal, and that the Port Elizabeth and Capetown rates be reduced in proportion.

He further stated that his proposals, which he now handed in, *(vide Annexure B.)* amplified the above, showing that this would give a reduction of 13 per cent. all round on through traffic to the Transvaal, but it would put Delagoa Bay, Durban, and East London on exactly the same footing. The present classification to be retained absolutely. In addition, he proposed a further reduction to meet the recommendations of the Customs Conference, namely:—

(*c*) A further reduction to that proposed above of 13 per cent. to be made for the following products, viz.: Mealies, Rice, Flour, Meal, Meat (chilled, fresh or frozen).

That meant that they took off 13 per cent. by bringing their through rate down to the level of the Delagoa Bay through rate, and a further 13 per cent. off the reduced rate on the above articles, making a total reduction of 25 per cent. on food products. At present there were no through rates established as between the Orange River Colony and the other Administrations, so he proposed :—

(*d*) That the through rate for the Orange River Colony, calculated as between the Ports, Lourenço Marques, Durban, and East London to Smaldeel (the distance being, respectively, 577 miles, 650 miles and 460 miles) be 6s. 10d., normal rate; 4s. 11d., intermediate rate; and 4s. 1d., rough goods rate, all at per 100 lbs., division to be on the mileage basis for all ports; the classification to be the same as the present classification in through traffic to the Transvaal.

There was only one exception to the foregoing proposals, viz., that the rate on explosives be considered independently.

The Chairman remarked that this proposal changed the division as regards Delagoa Bay and Natal. He presumed Natal was entirely in accord with these proposals; he did not know Mr. Albers' views.

Mr. Albers said the instructions of his Government were that he should work in harmony with the Central South African Railway Administration, and that was also his own desire.

Sir Albert Hime said that there was no more justification for making the Delagoa Bay rate 15s. lower than the Natal rate than there was for making the Natal rate 15s. lower than the East London rate. He again referred to Lord Milner's despatch in which it was stated: "If relief is to be given it should be given immediately, and the only "practical way of doing this seems to be by making an all-round reduction by a fixed "per centage. A detailed revision of the tariff is also desirable as a permanent measure, "but this will take time and will not give the economical relief at present essential." By the proposals now offered they were exactly consulting the advice of Lord Milner.

The Chairman remarked that the advice referred to might be interpreted in several ways. The Governors of the Transvaal and Orange River Colonies left it to him as their principal railway adviser to get the best results for the Inland Colonies.

Mr. Douglass remarked that they were dealing in his proposals with the recommendations of the Customs Conference, though he had no official advice of what these were.

On the motion of the Chairman, it was agreed that the Secretary obtain from the Secretary of the Customs Conference copies of the proceedings dealing with any subjects which affected the deliberations of the Railway Conference.

The Chairman suggested that, in view of the proposals submitted by Mr. Douglass, the meeting stand adjourned, in order that he might consult His Excellency the High Commissioner, and, if nccessary, the Transvaal and Orange River Colony Delegates in regard thereto. This was agreed to.

The Meeting was adjourned to a time during the afternoon to be notified.

The Conference re-assembled in the Raadzaal at 3.30 p.m.

The Chairman intimated to the Conference that the High Commissioner had directed him to inform them that the proposals put forward by the Governments of the Cape Colony and Natal were contrary to the terms of an agreement existing between His Excellency the High Commissioner and the Governor-General of Mozambique, dated December 18th, 1901, and therefore could not be entertained.

After discussion Mr. Douglass moved:—

"That the High Commissioner be asked to use his best endeavours to obtain the "consent of the Portuguese Government to the abrogation of Article No. 4 of " the 'Agreement for a *modus vivendi*,' between the High Commissioner and the "Portuguese Government, dated the 18th December, 1901, and referred to by the " Chairman."

Mr. Douglass added: "We would then only have to come to some *modus vivendi* to give you relief for twelve months. Thereafter we should be able to return to this. I cannot think that it is the intention of the High Commisioner to favour a Foreign port as against a Colonial port."

After some further discussion the Conference adjourned for about fifteen minutes.

On re-assembling, the Chairman informed the Conference that the Portuguese Engineer-Director had retired from the Conference, as he wished to consult his Government by telegraph.

The Chairman added: "So far as I am concerned, as Commissioner of the Central South African Railways, and as the Technical Adviser of His Excellency the High Commissioner on Central South African Railway matters, I wish to place on record that it is my opinion that the existing differences in rates as between Delagoa Bay, Durban and East London are equitable, in view of the geographical positions, and should be maintained."

Sir Albert Hime said: "I am given to understand that it is and has been for several years past a standing grievance on the part of the people of the Cape Colony, Natal, and the Transvaal that preferential treatment has been granted in the way of through rates to the foreign port of Delagoa Bay, and I wish to ask how the Chairman can claim that it is fair to Delagoa Bay, on account of its geographical position, that it should have preference over and above Natal and East London. Should not the preference, in that case, be greater as against East London than it is as against Natal?"

(Sir Albert explained that his last sentence was intended purely as an illustration of his argument and should not be construed as conveying any other meaning.)

The Conference adjourned (at 5 p.m.) until 10 a.m., 17th March, 1903.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, TUESDAY, 17th MARCH, 1903.

PRESENT:—

Lieutenant-Colonel Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. Arthur Douglass, M.L.A., Commissioner of Public Works T. S. McEwen, Esq., A.M.I.C.E., General Manager of Railways	Cape Colony.
Right Hon. Sir Albert Hime, K.C.M.G., P.C., Prime Minister Sir David Hunter, K.C.M.G., General Manager of Railways	Natal.
T. R. Price, Esq., C.M.G., General Manager - - -	Central South African Railways.

Minutes of previous Meeting were read and confirmed, as amended.

2.—REDUCTION OF RATES IN THROUGH TRAFFIC—(*Continued*).

In reply to Sir Albert Hime, the Chairman intimated that he had no further statement to make on this question at the present juncture.

He enquired whether the Members would be prepared to proceed with the discussion of some of the other matters on the Agenda *pro tem.*

Sir Albert Hime and Mr. Douglass were, however, of opinion that they would be better able to discuss the other subjects when the question of Through Rates had been settled.

It was therefore agreed that the Conference stand adjourned until 10 a.m. on the 18th instant.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, WEDNESDAY, 18th MARCH, 1903.

PRESENT:—

Lieutenant-Colonel Sir PERCY GIROUARD, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. ARTHUR DOUGLASS, M.L.A., Commissioner of Public Works T. S. MCEWEN, Esq., A.M.I.C.E., General Manager of Railways	Cape Colony.
Right Hon. Sir ALBERT HIME, K.C.M.G., P.C., Prime Minister Sir DAVID HUNTER, K.C.M.G., General Manager of Railways	Natal.
T. R. PRICE, Esq., C.M.G., General Manager - - -	Central South African Railways.

Minutes of previous Meeting read and approved.

2. REDUCTION OF RATES IN THROUGH TRAFFIC—(*Continued*).

The Chairman read two letters with annexure from Mr. ALBERS, Engineer-Director of Caminho de Ferro de Lourenço Marques (*See Annexures C, D and E*). They had reached him too late for yesterday's Meeting.

Sir Albert Hime asked if the Conference was to understand clearly that the High Commissioner, or the Chairman acting on his behalf, was not prepared to consider the question of equalising the Delagoa Bay rate with that of East London and Durban.

The Chairman replied they were not prepared to consider the proposal.

Mr. Douglass asked if the High Commissioner was prepared to give notice to abrogate the *modus vivendi* with Portugal which was subject to 12 months' notice.

The Chairman replied that His Excellency was not prepared to give such notice.

Mr. Douglass remarked that would mean the continuance of a Portuguese Port favoured by 15s. per ton in the trade with the Transvaal as against the Natal and the Cape Colonial Ports.

The Chairman said he regarded the question not from the point of view of the Ports, but from that of the Central South African Railways. So far as he was concerned, he did not consider it would be equitable to demand a lower or even an equal rate from the Cape and Natal Ports, as from Delagoa Bay.

Sir Albert Hime thought that having this very clear explanation it would be necessary to have a further adjournment until the following morning, in order to enable him to discuss the matter with his colleagues and Mr. Douglass, to see what their position would be and what line they were prepared to take.

Before moving the adjournment, Mr. Douglass wished to ask the Chairman certain questions:—

If they considered the re-classification as proposed by the Chairman, was he prepared to consider that the apportionment of the earnings be on a mileage basis?

The Chairman replied that he could not recommend such a course.

Mr. Douglass asked if it was to be all "give" on their part, with no "give" on the other side.

The Chairman replied that the reduction would be *pro rata* on the rates as they now exist.

Mr. Douglass asked if they came to an agreement upon these proposed re-classifications, would the rate of coal in down traffic in empties, and the rate on stores between the different Administrations, remain the same as it is now?

The Chairman presumed that Mr. Douglass, in referring to down traffic in coal, had in view the agreement as it exists to-day.

Mr. Douglass said that was his intention. He meant were they prepared to agree to continue the rate of one-seventh of a penny per ton per mile for all traffic in coal in returned empties, plus 6s. per ton when empties were worked northwards for the purpose of bringing down coal?

The Chairman said that as the matter stood to-day his Administration was quite agreeable that the seventh of a penny per ton per mile rate should remain, accepting the nine-tenths of a penny rate from Cape Colony and also the penny rate from Natal, provided an agreement was come to in regard to the reduction in Through Rates; but in the construction of new lines his Administration might find the position altered with regard to other coal mines

Mr. Douglass asked if he was then to understand that the Chairman would not be prepared to extend the one-seventh of a penny rate beyond Viljoen's Drift on his Administration?

The Chairman explained he might extend it to Elandsfontein, on the understanding already referred to, but not beyond, as it would then be against traffic.

Mr. Douglass said he would then ask if they agreed to these re-classifications, or some modification thereof, was the Central South African Railway Administration prepared to agree to a through rate to the Orange River Colony based on the same principle as the through rate that prevails with the Transvaal, namely, that Lourenço Marques be handicapped by 15s. per ton to Smaldeel as East London and Durban are for corresponding traffic to the Transvaal?

Mr. Price asked if Mr. Douglass meant that Lourenço Marques should be handicapped in the same proportion for Orange River Colony trade as East London and Durban are for Transvaal trade, taking Smaldeel as the centre.

Mr. Douglass assented, and said it could be put into other words, namely: That the rate shall be 9d. per 100 lbs. more on all classes of traffic from Lourenço Marques than it is from either Durban or East London, taking Smaldeel as a centre.

The Chairman remarked that Durban was no nearer Smaldeel than Lourenço Marques was.

Mr. Douglass said he simply took 15s. per ton as that was the amount Lourenço Marques was favoured as against Durban and East London for Transvaal trade.

Mr. Price remarked that the difference was not 15s. in all cases, only 13s. 4d. in the case of normal goods, and he could tell the Conference that he had been urging upon Mr. Albers to consider whether these amounts could not be reduced.

The Chairman said his Administration was considering railways from a business point of view, and he regretted they could not go into the question from a sentimental standpoint. Geographically, Delagoa Bay had the shortest distance and therefore had the advantage, and, so far as Natal was concerned, they could not consider a handicap of 15s. per ton in its favour until it had established a direct connection with the Orange River Colony Trunk line, when, of course, the Natal rates would be adjusted accordingly.

Sir Albert Hime said the question would not affect his Colony at the present time.

Mr. Douglass said he did not think it would be possible for him to consider the proposals before the Conference unless a through rate was agreed upon with regard to the Orange River Colony.

Sir Albert Hime said he was quite willing to support Mr. Douglass that there should be such a through rate to the Orange River Colony, but it did not affect his Colony at present.

Some explanatory observations here took place in regard to Smaldeel as a centre, it being pointed out that when the matter was considered it would have to be gone into in detail, the Chairman remarking that his Administration would go into the question with perfectly open minds.

Mr. Douglass said there was another question which it would be absolutely essential for him to know:—was the present Agricultural rate for South African Produce and Manufactures—*i.e.*, the through rate as it at present exists—to continue? They had a normal rate, an intermediate rate, and a rough goods rate in the through rates, but they also had a South African Agricultural Produce rate which included fruit, under which South African Manufactures also came.

The Chairman said: It may be necessary to consider certain South African Manufactures, not all.

Mr. Douglass said he wanted to know if the Chairman's Administration would continue the South African Produce rate, if the speaker's Administration agreed to these re-classifications.

The Chairman said this request practically meant the continuance of the differential rate through the Orange River Colony, which it had been decided to discontinue. He referred to the Resolution of the Associated Chambers of Commerce at Kimberley (which included representatives from every Colony), that there should be no preferential rates for South African Produce. His Administration considered it an equitable arrangement to make the rate a 1d. per ton per mile for Produce, whether South African or Imported, and leave it to the other Colonies to make their own arrangements. It was proposed to adopt the same course in regard to other Articles, upon which special reductions were claimed on the ground of their being of South African Manufacture.

Mr. Douglass said at present the Central South African Railways carried Colonial products through the Orange River Colony, at ½d. per ton per mile, and, if he understood the Chairman's proposals correctly, he required the speaker's Government to give up about £100,000 of revenue or more, and over and above all that to a considerable extent stifle the trade of the Cape Colonial farmers by doubling the rate on their produce through the Orange River Colony. The Chairman had said that the whole aim and object of the Conference being called was to reduce the cost of living to the people in the Transvaal.

The Chairman said that was one object of the Conference.

Mr. Douglass asked what the others were.

The Chairman replied that they were set forth in the Agenda.

Mr. Douglass said so far as the alteration in rates was concerned that was the main object.

The Chairman assented.

Mr. Douglass understood that the Central South African Railway Administration proposed to do that to the people in the Transvaal by doubling the cost of carriage through the Orange River Colony of the great mass of foodstuffs produced in the Cape Colony?

The Chairman pointed out that so far as the Central South African Railways were concerned, the Cape Administration were asking them to carry South African Produce at a rate which was stated in the Conference recently did not pay in the Cape Colony. Furthermore, his Administration were making what virtually amounted to a present of £120,000 per annum on the cost of Cape Railway coal by the low rate which the Central South African Railways now charge for its carriage. Would it not be fair to the people of the Transvaal to urge that the rate for the carriage of coal from the Transvaal to the Cape Railways should be the same as the Cape charges for the carriage of material for the development of the inland Colonies, viz.:— nine-tenths of a penny per ton per mile. The Central South African Administration wished to proceed on the give-and-take principle, but at the same time to equalize rates.

Mr. McEwen drew attention to the difference in grade on the Cape Colonial and Orange River Colony Lines which enabled the Central South African Railway Administration to convey the coal at a very much lower cost than the Cape Government Railways could convey stores.

The Chairman admitted that the easier grades and curves made some difference in favour of the Central South African Railways, but contended that this did not amount to anything like the difference Mr. McEwen seemed to think, or in any way corresponded with the difference between the low rate the Central South African Railways charged the Cape Government Railways for coal, and the rate charged by the Cape Government Railways to the Central South African Railways for stores.

Mr. Douglass pointed out that the fact still remained that a reduction on the cost of living was to be brought about, so far as the Central South African Railways are concerned, by doubling through the Orange River Colony the rates on all foodstuffs produced in the Cape Colony.

Sir Albert Hime enquired whether it was the intention of that there should be no through rate for Colonial produce, but that each Colony should make its own arrangements?

The Chairman replied that it was his intention that each Colony should fix its own rates to suit the local circumstances, and the charge to the public in the case of such traffic would be the sum of the local rates, in accordance with the practice followed at present. The proposal of the Central South African Railways was to adopt its present coal rate, viz.:—1d. per ton per mile for both imported and Colonial produce throughout its lines for distances beyond 96 miles. There was really no question of abolishing through rates, which it was pointed out are already in many cases the sum of the local rates.

Mr. Price explained that subject to this there was no question of abolishing the through rate which in many cases was the sum of the local rates.

Mr. Douglass enquired whether it was the intention to decline the request made by the Customs Conference to reduce the rates on foodstuffs by 25 per cent. On the Resolution of the Customs Conference being referred to, however, it was ascertained that the reduction of 25 per cent. was merely one which the Natal and Cape delegates had promised to support at a Rates Conference, and not a request to reduce rates by that amount. The Central South African Railways proposals, as printed *(Annexure A.)*, replaced the Customs Conference suggestions.

Mr. Douglass then enquired whether, if the Cape Government agreed to the transfer of articles mentioned in the Central South African Railway proposals from the Normal to the Intermediate rate, and from the Intermediate to the Rough Goods rate, the Central South African Railways would consent to re-arrange the rates in such a manner as still to allow a margin of 25 per cent. in the rate in favour of Colonial products? As examples, Mr. Douglass mentioned: ale; aerated waters; beer; butter; biscuits; bacon; cheese; hams; honey; jamn lard; onions; pickles; preserved fruits, jellies and vegetables; raisins; eggs; fat; fish (preserved and dried); salt; tea; tobacco, taken from Proposal No. 2 (A.)—(*vide Annexure A.*) —also tallow and grease (considered at General Managers' Conference). He pointed out that to reduce the rates for the imported article to the level, or nearer to the level, of the Colonial article would have a most serious effect on small manufacturers and producers in the Cape Colony.

The Chairman referred to the Resolution of the Associated Chambers of Commerce of South Africa that preferential rates for South African products and manufactures should be abolished. In addition to that there was the letter from the Secretary of State for the Colonies in connection with preferential rates, to be considered, which deprecated the continuance of such a practice.

Mr. Douglas pointed out that the Secretary of State's letter only referred to one class of goods, namely, soap.

The Chairman said in any case the Coast Colonies were being left to make their own arrangements in the matter of preferential rates, should they desire to encourage local industries in that manner. Furthermore the rates for South African products were in many cases much lower than the intermediate rates to which it is proposed to transfer the articles mentioned.

Mr. McEwen remarked that this was not applicable to all classes.

Mr. Douglass said that increasing the rate for Cape Colonial products over the Orange River Colony line practically amounted to this, that the new Orange River Colony Government was depriving the Cape of a benefit which the old Free State Government had allowed.

It was pointed out, however, that the preferential rate had not emanated from the Free State Government, but had simply been taken over by that Government when it took over the Railways from the Cape Administration.

The Chairman then promised that the matter would receive consideration and that he would reply definitely to Mr. Douglass's question at the next meeting.

Mr. Douglass remarked that if the Central South African Railway Administration would consent to continue the ½d. South African produce rate over the Orange River Colony line, such action on their part would cause him to considerably modify, and probably to withdraw, his request in connection with the 25 per cent preference on Colonial products and manufactures.

The Chairman mentioned that one main difficulty was that he could not defend the continuance of the anomaly of a lower produce rate on the Orange River Colony section than on the Transvaal section of the Central South African Railway, and explained why it was impracticable to reduce the Transvaal rate further than now proposed, leaving only the alternative of increasing the Orange River Colony rate.

The meeting adjourned until 10 a.m., Thursday, March 19th, 1903.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, THURSDAY, 19th MARCH, 1903.

PRESENT:—

Lieutenant-Colonel Sir PERCY GIROUARD, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. ARTHUR DOUGLASS, M.L.A., Commissioner of Public Works
T. S. MCEWEN, Esq., A.M.I.C.E., General Manager of Railways
} Cape Colony.

Right Hon. Sir ALBERT HIME, K.C.M.G., P.C., Prime Minister
Sir DAVID HUNTER, K.C.M.G., General Manager of Railways
} Natal.

T. R. PRICE, Esq., C.M.G., General Manager
} Central South African Railways.

The Chairman explained that the printers had not been able to complete yesterday's Minutes of Meeting in time to place before the Meeting, but they were promised to be supplied during the course of the morning.

2.—REDUCTION OF RATES IN THROUGH TRAFFIC—(*Continued*).

The Chairman said: With reference to Mr. Douglass' question, brought forward yesterday, asking that through railway rates from East London to Smaldeel should be not less in favour of that port, as compared with Lourenço Marques, than the amount at present or hereafter ruling in favour of Lourenço Marques as against Durban and East London for Johannesburg traffic (which is at present eightpence per 100 lbs. in case of Normal and ninepence per 100 lbs. in other classes of goods), it being understood that rates to places north and south of Smaldeel would be arranged to approximately correspond as regards relative difference in rate, I have to state that owing to the Cape classification still obtaining to a considerable extent in the Orange River Colony an exact comparison of the rates cannot be given without introducing a very large number of figures. I may state, however, that at the present time the rate from Lourenço Marques to Smaldeel for Normal Goods is 129d. per 100 lbs., while from East London for the same class of goods the rate is only 74d. per 100 lbs. for some, and 80d. per 100lbs. for the remainder, so that the Lourenco Marques rate is considerably more than 50 per cent. higher. This sufficiently shows there has been no desire to unfairly handicap the Cape Colonial Railways route There is no present intention whatever of altering the rates to Orange River Colony stations or elsewhere to the advantage of the Delagoa Bay route, or wish to make any alterations other than those submitted to the Conference, and which have been under discussion. Dealing with the proposal made, it is considered by this Administration to be a perfectly fair one, provided an arrangement is come to in regard to the rates now forming the subject of discussion, and so long as such agreement continues.

I shall be quite prepared to recommend to the High Commissioner such an undertaking being given, on the understanding that, if at any future time it may be found necessary to either increase or reduce such a rate, and this Administration

intimates its readiness to bear its *pro rata* share of such increase or reduction, but the Cape declines to assent, then the Central South African Railways obviously would be released from its obligation in such cases.

I take it that such an event is very unlikely to occur, and I can give the formal assurance that, should the occasion arise to call for an increase or reduction, the Cape Administration would be consulted before any action was taken.

As regards the Durban rates,—the distance from Durban to Smaldeel by the present route is 650 miles as against 577 miles from Lourenço Marques, or a difference of 73 miles. Notwithstanding this the difference in favour of Lourenço Marques in the rates is only 4d. in Normal; 3d. Intermediate; and 7d. Rough Goods, all at per 100 lbs. When the Durban connection *via* Harrismith with the Orange River Colony Trunk Line is established, I shall be quite prepared to give, on the same terms, the undertaking I am now recommending should be given to the Cape Administration.

The Chairman hoped these proposals would meet Mr. Douglass.

Mr. Douglass said, in order to simplify matters (though he did not know what Sir Albert Hime thought about it), he moved the following Resolution:—

> "That in lieu of the proposals made by the Chairman, as per Annexure "A., a ten per cent. reduction be made on the through rates tariff; in "all other respects the existing arrangements shall be maintained, and "no Administration shall alter its local tariff rates so as to adversely "affect any other Administration. This agreement to continue for two "years from date of signature to agreement."

He moved that Resolution in the hope of coming to a settlement. He understood Sir Albert Hime thought this would be giving more than the Chairman's proposals asked for, and the speaker's officers advised him similarly; but they also advised him they foresaw possible difficulties if alterations in the classifications as proposed by the Chairman were adopted, and possibly very great friction would arise. Existing arrangements had acted so smoothly for such a number of years that it was dangerous to upset them. and that was why he specified that all existing arrangements should continue.

Sir Albert Hime said he was perfectly satisfied that it would mean a greater loss to his Colony than the adoption of the Chairman's proposals involved, but, acting on the advice of Sir David Hunter—who thought there would be complications in the carrying out of the Chairman's proposals—he was prepared to support the above Resolution if it met with the Chairman's views.

The Chairman thought Mr. Douglass realised this meant another, what might be termed, alternative proposal. His Administration would have to consider it again from their point of view, as they came to the Conference principally to ask for a reduction on the rate of foodstuffs, not to ask for an all round reduction, as embodied in Mr. Douglass's Resolution.

Sir Albert Hime asked if the Chairman was prepared to say whether he could accept the proposal.

The Chairman said he could not recommend it; his Administration had previously asked for a 20 per cent. reduction, and now only 10 per cent. was offered. He submitted his proposal best met the requirements, and that there was no occasion for the suggested difficulties to arise.

Mr. Douglass thought that 10 per cent. from the coast ports would be equal to 20 per cent. in the Transvaal and Orange River Colony.

Mr. Price pointed out that the reduction was pecuniarily greater on the Central South African Railway than on the Coast Railways, and Mr. Douglass explained he took into account in his calculation the difference in grades and in cost of working.

Sir Albert Hime was of opinion that figures did not apply in this instance. Ten per cent. reduction given by the coast ports was, on account of their greater difficulties in working and steeper gradients, equal to 20 per cent. in the Inland Colonies.

The Chairman had no doubt that the cost of working of his Administration compared not too favourably with that of the Coast Colonies, except in regard to the

Orange River Colony section, which he thought the Conference had been too prone to refer to. One section of their line was as expensive to work as any other route in South Africa.

Sir Albert Hime asked if the Conference was to come to some decision on the basis proposed by Mr. Douglass, or on any other basis.

The Chairman said he could not recommend an all round 10 per cent. reduction as it did not give the relief with regard to foodstuffs which the Inland Colonies required.

Mr. Douglass remarked that the Chairman's proposals embraced so many things that were not foodstuffs.

The Chairman said he had spoken of building materials requiring to be reduced from the beginning of the Conference. He was quite prepared to let the General Managers go through the list and abide by their decision.

Mr. Douglass asked what items were there of any importance that were not embraced in the Chairman's proposals.

The Chairman replied practically the whole of the soft goods, which is an enormous importation in this country, and the whole of the mining machinery, were not included in the proposed reductions.

Mr. Douglass thought soft goods were equally important in reference to the cost of living.

The Chairman said he was informed a 20 per cent. reduction would not cheapen soft goods to any considerable extent, while it would greatly reduce the cost of foodstuffs.

The Chairman asked what was the sticking point from Sir Albert Hime's point of view.

Sir Albert Hime said, if his colleagues agreed, he preferred the Chairman's proposals to the 10 per cent. all round reduction now proposed.

The Chairman repeated he was prepared to allow the General Managers to go through the list.

Sir Albert Hime said the Chairman considered 10 per cent. reduction would not be sufficient; if an additional reduction of 25 per cent. on imported foodstuffs were made would that be sufficient, though he repeated he preferred the Chairman's proposals to the alternative Mr. Douglass had submitted.

Mr. Douglass thought all chance of settlement would break down if the Central South African Administration adhered to the 1d. per ton per mile rate for South African and Imported Produce.

The Chairman considered it was Mr. Douglass' Government which made the trouble with their 1d. per ton per mile rate. How could they ask the Chairman's Administration to charge a higher rate than that charged by themselves, or how would he be justified in doing so ?

Mr. Douglass said he was willing to undertake that the 1d. per ton per mile local rate should not interfere with the through rate even if he had to raise his local rate, provided the result desired could not be otherwise effected.

The Chairman remarked that Mr. Douglass therefore proposed to raise the rate on foodstuffs which was the principal question with which the Conference was dealing.

Mr. Douglass replied he should have to raise his local rate to meet the difficulty, or prevent, by some means, its being used to the disadvantage of the through rate.

The Chairman asked Mr. Douglass if he was prepared to give a 25 per cent. reduction on the 1·8d. rate.

Mr. Douglass said he moved a 10 per cent. reduction all round.

The Chairman repeated that his Administration could not consider such a proposal, and added: In answer to enquiries made by Mr. Douglass yesterday as to whether, in the event of the Cape agreeing to adopt the proposals submitted by me, this Administration would be prepared to assent to a further reduction of 25 per cent. in the rates over its Lines in favour of South African Manufactures or Products other than the produce to be carried over the lines of this Administration at what is known as the tariffs No. 7 and 9 of the Central South African Railways (*vide Annexure A.*), I have to state that the Central South African Railways will adopt over its Lines the policy recommended time after time by the various Chambers of Commerce throughout South Africa, recently reiterated at the Kimberley Conference of the Associated Chambers, and indicated by the Hon. the Secretary of State for the Colonies, in his letter, as the proper course to adopt over these Lines. But while we shall so act ourselves, we are equally desirous that the other Railway Administrations shall be perfectly free to make any differences they deem necessary over their Lines. While, therefore, we shall charge the same rates for South African and Imported articles over our Lines, we shall be quite prepared to agree to the adoption of through rates making any differences in rates desired on other Lines, on the understanding that the Central South African Railways' proportion of such through rates shall be the same whether the articles are South African or Imported. Owing to the practice of such differential Rates having also obtained on these Lines in the past, it may be necessary to continue the differences in some cases for a time. These are details that can be settled by the General Managers and their Officers, but while we are desirous and are prepared to meet your wishes in any matters reasonably open to us, we cannot further modify the general lines indicated in this respect.

Mr. Douglass said he would have to study the Chairman's remarks to see how far they met his views. He asked if the question of the ½d. rate had been dealt with.

The Chairman said that the ½d. rate was included in the terms of his reply.

Sir Albert Hime thought it met Mr. Douglass' views so far as manufactures were concerned.

The Chairman assented, and added, he was prepared to discuss the question of rates for manufactures, and if possible come to some settlement about them.

Mr. Douglass asked if the Chairman meant a 25 per cent. reduction on manufactures.

The Chairman replied he made no mention of 25 per cent.

Mr. Douglass said this meant the Chairman insisted on his No. 6 proposal.—(*Vide Annexure A.*)

The Chairman assented.

Mr. Douglass said that would make the position almost absolutely impossible.

After some further discussion, in the course of which Sir Albert Hime pointed out that that the Cape Railway Department could ensure preference to the Cape Colonial industries by altering the rates over its own lines, irrespective of any action the Central South African Railways might take, Mr. Douglass remarked that the Central South African Railway proposals practically amounted to abolishing the principle of through rates. He desired to put the question: "Whether the effect of the proposals of the Chairman would not be to break up the through rate tariff at present existing, by removing Imported Produce from the through tariffs and putting it on a mileage charge basis." He took it that the whole object of through tariffs was to equalize the rates from the ports.

Mr. Price pointed out that the Chairman had explained very clearly in his statement that his Administration had not the slightest intention of abandoning through rates, but merely wished it understood that whatever through rates might be decided upon, the Central South African Railway proportion thereof should be 1d. per ton per mile for the distance conveyed over its lines.

Mr. Douglass remarked that this would leave them with the clear statement that the Chairman's Administration did intend to break up the existing rates, and after some further discussion enquired whether it was the intention only to break up the through rates for Imported Produce.

Mr. Price replied that there was no intention of breaking up any rate. All the Central South African Railways claimed was a revision. He again urged the untenable position of the Cape Administration in charging 1·8d. on the through produce rate, as against 1d. over their own lines up to the very border.

It was then suggested that, calculated at the rate of 1½d. per ton per mile over the Cape Lines, the produce rate from East London, Buffalo Harbour, Durban, and the Point, to Johannesburg should be £3 7s. 5d. plus terminals.

It was ascertained that this would fix the total rate at £3 13s. 3d. per ton, which Mr. Price thought should be reduced to £3 10s.

Mr. Douglass pointed out that a difference of 15s. per ton in favour of Delagoa Bay on the new rate would be a very serious handicap against the Cape and Natal, as compared with the present difference of 15s. per ton on the much higher rate. He asked that at least a definite promise might be made that the differences would not be greater than 10s. per ton.

Mr. Price explained his inability, without the previous concurrence of the Portuguese Administration, to give a definite promise that the difference would be less than 13s. 4d., the difficulty to contend with being that the difference in favour of Delagoa Bay on the lowest rate, *i.e.*, the Rough Goods Rate, is at present 15s. per ton. He promised, however, to use his best endeavours to have the difference in the case of the new produce rates reduced to 10s. per ton.

The question then arose as to the length of time for which the proposed arrangement as to rates, if now agreed to, should operate.

Sir Albert Hime suggested twelve months as the period, subject to six months' notice on either side thereafter.

Mr. Douglass suggested two years and six months' notice.

After discussion, it was decided that the rates when decided upon should remain in operation for one year certain, and be subject to six months' notice of termination on either side thereafter, no rate to be altered in the meantime, excepting by mutual consent of the Administrations concerned.

Mr. Douglass, for purposes of record, then moved :—

"That the Rate on South African Produce through the Orange River Colony shall not be increased from the present rate of ½d. per ton per mile."

He asked whether the Chairman would agree to the rate remaining as it is at present in the Orange River Colony.

The Chairman said that he could not agree.

Mr. Douglass : To what amount do you insist upon it being raised ?

The Chairman : 1d. per ton per mile.

Mr. Douglass then drew attention to the Chairman's remarks (*vide* page 20) in reply to the former's request for a 25 per cent. reduction in favour of South African products, quoting the portion "While, therefore, we shall charge the same "rates for South African and Imported articles over our Lines, we shall be quite "prepared to agree to the adoption of through rates, making any differences in rates "desired on other Lines, on the understanding that the Central South African Railway "proportion of such through rates shall be the same whether the articles are South "African or Imported," and asked whether it was to be understood therefrom that each Administration would be at liberty to reduce its own proportion on South African Manufactures or grown articles.

The Chairman: That is the intention.

The Conference agreed to accept the Chairman's remarks (already printed) in reply to Mr. Douglass' question.

After some further observations Mr. Price stated, at the request of the Chairman, that with a view to meeting the existing requirements, the Central South African Administration would be prepared to agree to the rate for Imported Produce (it being decided to accept as the definition of what should be included in the term Imported Produce, the list set out in Item 18 of the present Customs Union Tariff) from East London and Buffalo Harbour, and from Durban and the Point to Johannesburg being fixed at £3 10s per ton, *this amount to include cartage within the usual limits, and terminals;* the Central South African Railways proportion of that rate to be 1d. per ton per mile for the distance the produce is carried over its lines, plus its *pro rata* share (on the basis of the Cartage and Terminal Charges now subtracted by each Administration before division) of the Cartage and Terminal Charges, Mr. Price further undertook that, should this rate be adopted, to endeavour to induce Mr. Albers to agree that the rate for similar traffic from Lourenço Marques should be, if possible, not less than £3 per ton, or failing this, in any case not less than £2 16s. 8d. per ton.

On this understanding both Sir Albert Hime and Mr. Douglass agreed to provisionally accept the rate proposed.

Sir David Hunter desired to point out that the method of dealing with this large question was in conflict with all previous procedure in Railway Adminstrations. The proper course was to have the details of the great changes now proposed by the Central South African Railway Administration thoroughly examined by the General Managers, who would thereafter be in a position to advise their respective Governments.

The Conference proceeded to consider in detail the proposals of the Central South African Administrations *(vide Annexure A.)*.

PROPOSAL NO. 1.

On the motion of Sir Albert Hime, the Conference agreed to accept the recommendations of the General Managers of Railways, made at the South African Railway Officers' Conference (Johannesburg, March 6th and 7th, 1903) to transfer from the Normal to the Intermediate Rate all the articles set out in Section A of Proposal No. 1, with the exception of "Glycerine," which was transferred to Rough Goods as a dynamite ingredient, and to transfer from the Intermediate to the Rough Goods Rate the article "Fencing Material," as recommended in Section B.

Mr. Douglass agreed on behalf of the Cape Administration.

In accordance with this Resolution the following articles are to be transferred in classification, viz.: —

FROM THE NORMAL TO THE INTERMEDIATE RATE.

Asbestos
Balusters (Iron, Undamageable)
Bridge Work (Iron, Undamageable)
Castor Oil
Caustic Soda
Cocoa-Nut Oil
Cotton Seed Oil
Electrical Cable
Grease
Ground Nut Oil
Gypsum (Ground)
Imported Trees
Iron Buckets, without handles, used for Sanitary purposes
Jute
Lard Oil
Lead (White or Red)
Linseed Oil
Machine Oil
Oakum, for Packing
Palm Oil
Paraffin Oil
Plaster of Paris (Ground)
Putty
Rape Oil
Safes (Iron, Undamageable)
Steel Ceilings (Undamageable)
Sunflower Seeds
Tallow
Tinplate (Undamageable)
Traction Wagons
Vaseline

AND FROM THE INTERMEDIATE TO THE ROUGH GOODS RATE.

Fencing Material.

Sir Albert Hime pointed out, however, that by removing articles from the Intermediate to the Rough Goods Rate in through traffic, owing to the method of apportionment of receipts, the Central South African Administration would not share in the loss occasioned by the lowering of the rate, and he therefore asked that in all cases of articles transferred from the Intermediate to the Rough Goods Rate in through traffic, the division of receipts shall be re-adjusted in such a manner as to admit of the Central South African Administration contributing its *pro rata* share of the loss resulting from the reduction. This was agreed to by the Chairman on behalf of the Central South African Administration.

PROPOSAL No. 2.

Sir Albert Hime moved that the Articles enumerated under Section A of this proposal be reduced in classification as recommended.

In the case of "Groceries, not otherwise mentioned," the words "to be mutually agreed upon" were added.

Subject to the foregoing the Conference adopted the proposal of Sir Albert Hime, which entails transfers in classifications as follow :—

FROM THE NORMAL TO THE INTERMEDIATE RATE.

ARTICLES OF FOOD AND GENERAL CONSUMPTION :—

Aerated Waters
Ale
Bacon
Beer
Biscuits
Brandy (South African)
Butter
Butterine
Cheese
Chicory
Chocolate
Cider
Cocoa
Condiments
Cornflour
Cordials
Currants
Dates
Eggs
Fat
Fish (Preserved and Dried)
Ghee
Golden Syrup
Groceries, not otherwise mentioned (details to be mutually agreed upon)
Hams
Honey
Infants' Food
Jam
Lard
Lime Juice
Lemon Squash
Lemon Syrup
Macaroni
Margarine
Milk (Condensed)
Meats (Tinned and Dried)
Mustard
Onions
Pickles
Preserved Fruits, Jellies and Vegetables
Raisins
Saccharine
Salt (Table)
Starch
Soup (Tinned)
Stout
Syrup
Tea
Tobacco and Vermicelli.
Wine (South African)

The Conference then proceeded to consider the proposed transfers in Classification set out in Sections (B) and (C) of Proposal No. 2, which, on the motion of Sir Albert Hime, and after considerable amendment, was agreed to as follow :—

FROM NORMAL TO INTERMEDIATE.

Acorns
Aloes
Alum
Anti-Petrine (in bags)
Augurs
Awls
Axe Heads
Axe Handles
Axle and Axle Boxes
Barrows
Basic Slag
Beadings & Mouldings (Undamageable)
Bellows
Black Lead

Blacking
Brace Bits (Carpenters' Tools)
Brass and Copper Wire
Buchu
Chisels
Creosote
Dam Scrapers
Disinfectants
Disselbooms
Doors and Door Frames (Undamageable)
Felloes
Forges
Furniture (Schoolroom)
Galvanized Iron (Unpacked)
Glucose
Gum
Hair, for Plasterers' Purposes
Harness & Horse Collars
Hatchets
Hydroline (for wool-washing purposes)
Jars (Undamageable)
Kettles, Pots and Lids (Undamageable)
Leather
Lime, Chloride of
Mangles
Naves and Spokes
Paints
Pick Handles (Undamageable)
Planes
Rogo, for wool-washing purposes
Saddlery and Harness
Saws
Screws
Shooks
Skeys
Soda
Spanners, Tool
Staves, Cask
Tin Ware (for Domestic Purposes—Undamageable)
Tools (Tradesmen's, not otherwise defined)
Traces (Saddlery)
Vices
Wagon Wood (as defined on page 36 of Natal Government Railways Tariff Book)
Wheelbarrows
Whipsticks
Whiting
Window Sashes and Frames (Undamageable)
Yokes

PROPOSAL No. 3.

The Conference, on the motion of Sir Albert Hime, approved the transfer of the following articles, viz. :—

FROM THE INTERMEDIATE TO ROUGH GOODS RATE.

Box Wood
Cement
Fencing Material, including Wire Netting, Gates and Hurdles (Undamageable)
Galvanized Iron, packed (Undamageable).
Glycerine
Kieselguhr
Meat
Nitric Soda
Salt (Coarse)
Salt, Rock, in bulk
Sheep Dip
Soap, for wool-washing purposes
Soda, for wool-washing purposes

i.e., the original proposal was agreed to with these exceptions, that "Ice" and Irrigation Machinery were omitted, and the ingredients of dynamite, viz.: Glycerine, Nitric Soda, Kieselguhr and Boxwood were included. (In this connection *vide* also Proposal No. 5).

It was understood that the remarks of the Natal Administration concerning the revision of the basis of division of earnings in the case of articles transferred from the Intermediate to the Rough Goods Rate in through traffic—*vide* Proposal No. 1—should also apply in the transfer agreed to in Proposal No. 3.

PROPOSAL No. 4.

Sir Albert Hime moved: "That the through Rough Goods Rates be reduced by 10 per cent."

The Chairman pressed for a reduction of 15 per cent. or at least 12½ per cent., but eventually agreed to accept the 10 per cent. reduction, in which Mr. Douglass concurred.

Mr. Douglass moved: "That the apportionment of receipts on through traffic as between the several Administrations be on a mileage basis." He considered the present basis of division unjustifiable.

After some discussion, Sir Albert Hime asked that it might be recorded that the Chairman adhered to the high percentage now claimed by the Central South African Administration for revenue purposes.

Mr. Douglass enquired whether the Central South African Administration refused to re-consider the division; if so, he might say at once, that it would be a serious difficulty for the Cape to get over.

The Chairman considered the present apportionment equitable and necessary in view of the circumstances, and the requirements of the Inland Colonies.

Mr. Douglass: But we say the existing high rates are necessary for our requirements.

The Chairman said he could not depart from the position taken up.

Sir Albert Hime remarked that he understood it had been recorded that the present apportionment was not required solely for railway purposes, but also for revenue purposes.

The Chairman: And also that the Central South African Administration consider it equitable.

Sir David Hunter stated that he was quite familiar with cases in which special advantages were given to certain Administrations, but in all these cases the position was exactly the reverse of that of the Central South African Railway Administration relatively to the others in South Africa.

The Chairman added that there were numerous cases in the United States and in the United Kingdom also where Companies placed as the Central South African Railway is, demanded a much larger percentage of through traffic receipts than the Central South African Railways do.

Mr. Douglass requested that his opinion might be recorded that the present division was unfair.

Sir Albert Hime remarked that the public of the Inland Colonies would doubtless have something to say when they discovered how much to their disadvantage the present proportion of rates received by the Central South African Railways operated.

PROPOSAL No. 5.

To convey Dynamite at Through Normal Rate, Actual Weight.

It was agreed to include the principal ingredients of dynamite in the reduced through Rough Goods Rate, as set out in proposal No. 3.

Sir Albert Hime moved that the rates for dynamite be as recommended in Proposal No. 5, but that the words "and Explosives" be added throughout after the word "Dynamite."

The question of whether "Dynamite" should be carried at "Owner's Risk" was mentioned, but it was pointed out that this was a matter affected by the laws of the several Colonies.

Mr. Douglass objected to the amendment of dynamite rates recommended, on the ground that it would unduly prejudice the Colonial dynamite manufacturing industry.

He stated that he would be prepared to accept the through Normal Rate, with a reduction of 20 per cent. in favour of the Colonial-made article.

It was pointed out in reply that the proposal made amounted to a reduction on the existing rate.

Mr. Douglass desired it recorded that he considered it unreasonable of the Central South African Administration to ask that ingredients of dynamite be removed from the Normal to the Rough Goods Rates, in the cases of some articles, and in the case of other articles from the Intermediate to the Rough Goods Rate, and then to get a reduction of 10 per cent. upon the Rough Goods Rate to favour the Dynamite Factory in the Transvaal, whilst abolishing the Colonial Manufactures Rate on the strength of which the Dynamite Factory was built in the neighbourhood of Cape Town, thus bringing the rate on dynamite from that Colonial Factory up to the Normal Rate. Such a proposition could not be considered.

Mr. Price pointed out that the Chairman had not abolished any Colonial Rate, and referred to the terms of Sir Percy's observations, in which, he remarked, it was clearly set out that the Coast Colonies could make their own arrangements regarding their proportions of the through rates. The intention of the Central South African Railway Administration was to carry dynamite at their proportion of the through Normal Rate, leaving the Coast Administrations to charge what they liked over their portions of the line in respect of South African manufactures and products.

The Conference adjourned at 1.15 p.m. until 3 p.m.

The Conference re-assembled at 3 p.m.

Mr. Albers attended the afternoon sitting of the Conference.

The Chairman intimated that as the general programme of the proposals which he had brought forward was now being considered, Mr. C. H. Albers, the representative of the Portuguese Government, desired to be present.

2. REDUCTION OF RATES IN THROUGH TRAFFIC—(*Continued*).

Sir Albert Hime said perhaps Mr. Albers would be prepared to say whether he was agreeable to the suggested difference in favour of Lourenço Marques as against East London and Durban being 10s. per ton in the case of the new produce rate.

Mr. Price reported that he had seen Mr. Albers on the subject, and had represented the question from Sir Albert Hime's point of view. Mr. Albers had agreed to recommend the difference, being 10s. per ton, to his Government, but of course had to leave the matter with them. He anticipated, however, that the Governor-General would approve of his recommendation.

Mr. Albers assented, adding that he had recommended favourably to his Government that the imported produce rate from Lourenço Marques should be £3 as against £3 10s. from East London and Durban

Sir Albert Hime expressed his thanks to Mr. Albers for the concession and had no doubt hat the Portuguese Government would adopt Mr. Albers' recommendation.

The Chairman thought that in fairness to Mr. Albers, who had not attended the meeting for a few days, it should be mentioned that the Conference had been dealing with the Central South African Railway proposals and had accepted the general principles of same, subject to certain modifications—up to proposal No. 5.

Mr Price asked that there should be a clear understanding as to the reduction agreed to on fencing material, sheep dip, and galvanized iron, when No. 3 proposal had been considered. Was the reduction 15 per cent or 25 per cent? First of all they reduced from the Intermediate to the Rough Goods Rate, and then reduced the Rough Goods Rate by 10 per cent.

The Chairman said he understood the wish was to keep these articles in one of the classifications. First the goods were transferred to the Rough Goods Rate which in turn was reduced by 10 per cent, which practically amounted to a special rate.

Mr. Douglass understood that the articles were transferred to the Rough Goods Rate which in turn was reduced by 10 per cent.

Mr. Price remarked that that meant a total reduction equivalent to about 25 per cent.

Sir Albert Hime said his proposal was that the articles referred to should be left in the Intermediate Rate subject to a $14\frac{2}{7}$ per cent reduction.

Mr. Douglass said the $14\frac{2}{7}$ per cent reduction proposed by Sir Albert Hime would require the creation of a special rate which might be named " Intermediate B " Rate.

This was agreed to.

Mr. Price asked that fencing material might be allowed to go into the Rough Goods Rate.

The Chairman also requested that meat be placed in the Rough Goods Rate.

After some further discussion it was agreed that the reduction be $14\frac{2}{7}$ per cent. except in the case of meat and fencing material which were transferred to the reduced Rough Goods Rate.

PROPOSAL No. 5—(*Continued*).

Sir Albert Hime said he understood there only remained proposals Nos. 5 and 6 for the Conference to deal with, and as the question practically did not affect Natal he should like to know if Mr. Douglass had any *modus vivendi* to suggest which would enable them to come to an agreement with regard to Dynamite Rates.

Mr. Douglass repeated what he had already pointed out that it was an extremely one-sided and unjustifiable proposal on the part of the Transvaal. Sooner than break up the whole Conference he might accept the proposal, but meantime he would ask that the matter stand over. He might be able to deal with it at a further stage of the afternoon's proceedings. Continuing he said the only concession given to the Cape was the option to depart from the through Normal Rate on local manufactured articles. In every other country explosives paid double the highest rate. They required protection for their dynamite, why should the rate not be increased for the over-sea importations.

Sir Albert Hime supported this contention.

Some discussion followed as to the rates from East London and Port Elizabeth, it being clearly stated that dynamite stood in the same relation as any other Colonial manufacture so far as the application of local rates was concerned.

It having been agreed to let the question of explosives stand over, the Chairman asked if the Conference would proceed with the rest of the Agenda.

Mr. Douglass referring to the ingredients of explosives, remarked they were at present in the Intermediate B. Rate, but Mr. Price explained the classification was as follows: Sulphur, Kieselguhr, Saltpetre, Nitric Acid and Potash were all in the Rough Goods Rate already, the only article in the Normal Rate being glycerine; boxwood was in the Intermediate Rate because it was specified as planed timber; it was added, in further explanation, that the Cape had always charged its share of this Intermediate Rate.

PROPOSAL No. 6

Sir Albert Hime referred to Natal sugar as a parallel example to that of the Cape dynamite, the former being purely Colonial produce, but carried at 1d. per ton per mile on the Central South African Railway.

Mr. Douglass pointed out that Sir Albert was under a misapprehension in this matter, as the penny per ton per mile on the Central South African Railway only applied to those articles on the imported produce list, as already fixed.

Sir Albert Hime said he understood that imported and South African produce were to be carried over the Central South African Railway Lines at the same rate; that the Through Rate was to be made up of the sum of the local rates, and therefore the Coast Colonies could charge any local rate so long as the Central South African Railway share was 1d. per ton per mile.

The Chairman said the 1d. per ton per mile was on South African produce as defined in Article 18 of the existing Customs Union tariff, and that Sir Albert had suggested that limit being adopted.

Sir Albert Hime read the second last paragraph in Proposal No. 6 (*vide* Annexure A.), and said he therefore took it that as regards sugar and tea his Colony could charge its own rates, and that the through rates would be the sum of their own rates, plus the Central South African Railway rate.

The Chairman asked if Sir Albert was then prepared to include imported sugar and tea at 1d. per ton per mile.

Sir Albert understood sugar and tea were not included in the imported produce list. Hitherto they had been carried when South African Products at the Colonial produce rate, and he understood they would still be carried at that rate in the Inland Colonies.

The Chairman pointed out that would mean application to a vast number of articles, whatever the rate, unless they were included in the imported produce rate.

Sir David Hunter said he wished to be quite clear on this subject. Natal had a long list comprising some three columns of articles of South African produce which were conveyed over the Natal Lines at 1d. per ton per mile and over the Central South African Railway at a rate practically similar. If that rate was to be altered there would be trouble at once.

Mr. Douglass remarked that Natal had not felt that in respect of his Orange River Colony rate which applied similarly to Cape Colony. He had given in and understood the whole question was settled.

A prolonged discussion ensued, Sir Albert Hime detailing from Natal's South African produce list the articles which he strongly urged should be included in the Imported produce list in order to maintain the existing rates. Mr. Douglass made a similar request in respect of Cape Colonial produce; but it was pointed out that however satisfactory this method was from the Coast Colonies' point of view it seriously affected the revenue of the Central South African Railway Administration as regards articles manufactured to a very limited extent by the Coast Colonies, yet imported in enormous quantities from oversea. The necessary consequence would be the carriage of the larger quantities by the Central South African Railway at a rate which would not pay if carried at the imported produce rate. In the course of the discussion the Chairman pointed out that the Coast Colonies should protect their produce by means of their own railway rates, and not by means of those of the Central South African Railway. After considerable discussion producing no satisfactory solution of the difficulty as it stood, it was agreed that the retention of the rate called "The South African Produce Rate" —the tariff being one-third of the present local Normal Rate over the Central South African Railways—was the only means of preventing a deadlock on this question at present, until such time as opportunity offered to remove the difficulty, the list of articles in the meantime to be kept as low as possible.

The Conference then proceeded to consider in detail the lists of articles of the various Colonies under the heading of South African produce, and the following articles were classified under the one-third Local Normal Rate known as Tariff No. 2 of the Central South African Railways (*vide Annexure A.*), it being clearly defined that this new classification does not affect the rate on similar imported articles in any respect whatsoever.

Proposal No. 6 was approved, subject to the rate for produce fixed upon from the Ports, and to the provision of special rates over the Central South African Railways for certain articles of South African production or manufacture, as now set out, viz.:—

SOUTH AFRICAN PRODUCE RATE.

List of South African Productions to be carried at one-third Local Normal Rate over the Central South African Railways.

Ale	Eggs	Skins
Aerated Waters	Fruit, dried and fresh	Stout
Bamboos	Hides	Sugar
Bark (packed in sacks)	Horns	Sugar Cane
Beer	Jams, and Jellies	Tallow
Biscuits	Leather (unmanufactured)	Tea
Bones (in bags)	Manure, artificial (in bags)	Tobacco
Bran	Milk (Fresh)	Treacle
Butter	Raisins	Trees (for planting)
Candles	Reeds	Vegetables (fresh)
Cheese	Refuse	Vinegar
Coffee	Salt	Wool

List of South African productions to be carried, when in truck loads, at Special Tariff No. 9 (*vide Annexure A.*), over the Central South African Railways:—

Chaff, in bales	Lucerne, pressed	Straw, pressed
Hay, pressed	Oathay, pressed	

It was further decided that the above imported articles, when pressed, should be carried in through traffic at the reduced Rough Goods Rate.

It was also approved that the undermentioned articles should be carried at the reduced Rough Goods Rate, viz.:—

Fish, Fresh, Dried or Pickled (South African); Meat.

Mr. Douglass moved: That soap of South African manufacture be left in the same class as it is at present and be carried at the South African produce rate.

The Chairman did not agree to this, and Sir Albert Hime concurred.

The proposal was accordingly not approved.

Mr. Douglass submitted Veldschoens for classification under the new rate, and moved: That Harness, Saddlery and Boots of South African manufacture as well as Veldschoens be carried at the South African produce rates.

The Chairman said he could not agree to this, and Sir Albert Hime supported the Chairman's view.

Mr. Douglass then said that he gave way to the other Administrations.

Dynamite.—Mr. Douglass mentioned that he was in a position at this juncture to discuss the question of the rate for South African dynamite, and it was his opinion that it should be included in the South African Produce List which had just been discussed. He mentioned that glycerine had been put into the Rough Goods List, and he was advised that by doing this the Cape would be carrying it at a loss, and it would be better for them not to carry it at all under these circumstances. However, he had given way in this case, and it was his opinion that as the Cape carried it at a loss to benefit the Central South African Railways the Cape Administration was entitled to have dynamite carried at South African Produce Rate.

Mr. Price suggested that it was advisable to carry glycerine at Owner's Risk, and this was approved.

Sir Albert Hime said that if imported dynamite was carried at one-third the Normal Rate, taking into consideration the rate at which the ingredients were carried, he did not consider any dynamite industry could exist in South Africa.

The Chairman asked if it were not possible to do the same over the Cape lines as had been agreed to in the case of soap.

Mr. Douglass said that dynamite was carried at the Normal Rate over the Central South African Railways, and he moved that it be carried at the Intermediate Rate.

Mr. Price said that he thought the adoption of this proposal would give rise to great opposition on the part of oversea importers, to whom it would be found difficult to return a satisfactory answer.

The Chairman said he could not agree to the proposal.

Mr. Douglass said that he accepted this refusal then as final, and he was prepared to agree to the rates as suggested, if Natal also concurred.

Sir Albert Hime provisionally agreed to the rates, as discussed, subject to confirmation at next meeting.

The Chairman approved of the same as representing the Central South African Railways, subject to the approval of the High Commissioner.

Mr. Albers agreed to fall in with the proposals of the Central South African Railways as indicated in the Minutes of the Conference, subject to the approval of the Portuguese Government, to whom he would recommend the alterations for adoption.

The Conference adjourned until 9.30 a.m. Friday, March 20th, 1903.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, FRIDAY, 20th MARCH, 1903, 10 A.M.

PRESENT:—

Lieutenant-Colonel Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. Arthur Douglass, M.L.A., Commissioner of Public Works,
T. S. McEwen, Esq., A.M.I.C.E., General Manager of Railways, } Cape Colony.

Right Hon. Sir Albert Hime, K.C.M.G., P.C., Prime Minister,
Sir David Hunter, K.C.M.G., General Manager of Railways, } Natal.

T. R. Price, Esq., C.M.G., General Manager, { Central South African Railways.

The Minutes of Meetings of March 18th and 19th were read, and confirmed, as amended.

2.—REDUCTION OF RATES IN THROUGH TRAFFIC—*(Continued)*.

During the discussion on the previous day's Minutes, it was arranged that the Traffic Officers present should summarise the detailed changes which had been agreed to at the Conference, and their complete summary, embracing such changes, is printed as Annexure F hereto.

Mr. Douglass asked if it was clearly understood that the principle to be observed in fixing through rates to the Orange River Colony for Natal and the Cape Colony, with Smaldeel as a centre, had been agreed to.

Mr. Price referred to the Chairman's statements on this question on pages 17 and 18 of the Minutes, and asked that it should also be clearly understood that the difference in favour of East London diminished northwards of Smaldeel until it ceased to exist, with, of course, a corresponding increase against Lourenço Marques south of Smaldeel. It was agreed this correctly represented the understanding come to.

Mr. McEwen raised the question of the rate on skins, hides and wool, and in the discussion which followed Mr. Price stated, and the Chairman confirmed, that there was no intention to disturb certain special rates that existed for this class of traffic south of the Vaal, from Viljoen's Drift. There was also the one-third Normal Rate obtaining over the other portions of the Central South African lines, and the intention would be not to disturb that. Later, the Central South African Railway Administration would be prepared to consider the whole question of Coastal Rates on the lines suggested by Sir Albert Hime, viz.: that the through rates coastwards to the ports should be arranged on the principle of the rates from the ports inland.

The Chairman referred to Sir Albert Hime's intimation at the previous meeting in reference to confirmation of his agreement to adopt the alteration in rates as provisionally amended.

Sir Albert Hime said that before he could proceed in this matter he wished to know if the Chairman's Administration was prepared to favourably consider the apportionment of the through rates. Sir Albert's Administration did not consider the present apportionment equitable; the Coast Administrations had sacrificed a great deal in order to meet the Central South African Railway's proposals, and they asked for some *quid pro quo* however small it might be.

Mr. Douglass said he had signified his approval of the rates subject to Natal concurring; Natal not concurring left him free to act. He understood the Chairman was prepared to allow the ½d. Produce Rate in favour of the Cape over the Orange River Colony continuing to operate until the end of the year.

The Chairman said they were prepared to allow it to continue until the end of the current year.

Mr. Douglass repeated that he went absolutely with Natal in this matter. If the Chairman could give them some moderate concession with regard to the re-adjustment of the division of the earnings, he would again be prepared to make an offer. If Natal concurred, he would agree too.

The Chairman said he would then have to ask for an adjournment. He himself had been very certain about the matter throughout the Conference, and he feared he would receive no further authority in the matter.

Sir Albert Hime asked if the Chairman had raised the question, or was he prepared to raise it.

The Chairman said the Financial Board of Control had met to consider this question before, and had definitely decided on behalf of both Governments to decline to re-open the question. He had no reason to expect this decision would be altered.

Sir Albert Hime and Mr Douglass pressed for a re-consideration of the question by the Financial Board, pointing out the difficulty the representatives of the Coast Colonies would have in satisfying their constituents with the present disproportionate division, especially in view of the large concessions they had made at this Conference.

The Chairman undertook to consult the other Members of the Financial Board and report the result to the Conference when it re-assembled at 2.45 p.m.

The Conference resumed at 2.45 p.m.

The Chairman said that he had seen the other members of the Financial Board and it was their opinion, that as they had considered the matter before, and at the beginning of the present Conference His Excellency the High Commissioner had confirmed their former view, they regretted that at present they could not see that it was possible for the question of the division of the earnings on the basis that had obtained hitherto to be again brought forward for further consideration.

Sir Albert Hime asked if that was the final decision.

The Chairman replied that it was.

Mr. Douglass asked if the Chairman could offer anything else in the place of the proposal.

The Chairman intimated that he could make no offer, but suggested that probably the Cape or Natal could make some suggestion.

Mr. Price mentioned that the Chairman and himself had been considering the matter for the purpose of ascertaining whether there was not some other way of meeting the Coast Administrations, as it was their desire to ease the position, in view of what Sir Albert Hime and Mr. Douglass had represented as to the difficulties in which they were placed, but he regretted that just at present he did not see any way open to them, either directly or indirectly to do so.

Mr. Douglass asked what was to be done with the profits of the Central South African Railways.

Mr. Price pointed out the enormous demands at present upon the receipts of the Central South African Railway Administration to provide means for carrying out the work due to the increased volume of trade. He reminded the Conference that for the past three years the up-keep of the Lines had been practically neglected, the present accommodation all over the system for dealing with traffic was totally inadequate for the requirements, and to meet the most pressing needs practically the whole of the surplus revenue was being absorbed, and would be for a considerable time to come.

Sir Albert Hime moved : " That he regretted the decision conveyed to them by the Chairman from the Financial Board, as in his opinion the present division of the through rates is inequitable and unjust, and that he would earnestly impress upon the Central South African Railway Administration the reconsideration of the decision so conveyed with a view to the more just apportionment of the through rate, or failing that, to a concession of some kind in lieu of such more favourable division. He desired to add, that whilst regretting this decision, and expressing the hope that the matter would be reconsidered he was not prepared to break up this Conference, and also the Customs Conference now sitting, and, therefore, he was prepared to adhere to the arrangements that had been arrived at after so much discussion at this Conference during the last few days.

Mr. Douglass stated that he entirely concurred in what Sir Albert Hime had said. It was a minor matter to the Cape as compared with Natal, but he saw no justification in the Central South African Administration retaining the present inequality in the division of the earnings. He also agreed, in the interests of South Africa generally and in the working of the Railways, that whilst protesting against the decision conveyed to them, he was prepared to accept the decisions already come to in the revision of the Railway Rates as recorded in the Minutes, despite the action of the Central South African Administration.

The Chairman said he could only add that he wished to thank Sir Albert and Mr. Douglass for the kindly way in which they had met the Central South African Railways as far as possible, while at the same time, protecting the interests of their Administrations. He regretted personally that he could take no other view of the matter than had been expressed as final.

Sir Albert Hime said he understood that it may be possible later on to reconsider the question.

The Chairman remarked that his words were that the question could not be reconsidered at present.

Mr. Douglass wished to know when the new Rates, as agreed to, would come into force.

The Chairman suggested that they should operate as from the 1st of July next, and remain in force for twelve months certain, and be subject to six months' notice thereafter. Up to the 1st of July the through rates would remain exactly as at present, and after the 1st of July the ½d. per ton per mile rate for South African Products would continue to remain in force in the Orange River Colony only, until the end of the present year, after which the altered rates as now agreed upon would come into force.

3.—RATES FOR CARRIAGE OF RAILWAY STORES.

This subject, referred to in the Minutes of Meeting of March 14th, was re-opened.

After discussion it was agreed that the Railway Stores rate from Natal to the Central South African Railways should be 1d. per ton per mile ; from the Cape Government Railways nine-tenths of a penny per ton per mile, and from the Caminho de ferro de Lourenço Marques one penny per ton per mile, and as between Natal and the Cape Colony nine-tenths of a penny per per ton mile.

4.—WORKING AGREEMENTS BETWEEN ADMINISTRATIONS.

Mr. Douglass asked what the working agreements were to be between the various Administrations. He desired to know whether the Central South African Railway Administration would accept the working agreement as arranged with the late Free State Government.

The Chairman pointed out that there was no working agreement at present in force. That referred to by Mr. Douglass was a Convention which the late Free State Government had with the Cape, and was only accepted during the late war in lieu of no other and was not at present in force.

Mr. Douglass dissented from this view.

Sir David Hunter mentioned that the matter was discussed at the recent General Managers' Conference, and it was left with the Chairman of that Conference to draft an agreement which was to be submitted to the Administrations interested for consideration. In the meantime it was understood that the present working agreements would be regarded as remaining in force.

Sir Albert Hime wished it to be recorded that, in the opinion of the Natal Government, the Agreement, dated 3rd February, 1894, between the Governments of the late South African Republic and the Colony of Natal still remained in full force and effect.

The Chairman dissented from this view.

After discussion it was resolved that the former working agreements continue in force until the new one in contemplation had been drafted and approved, the Conference considering that it was desirable to adopt the new agreement as soon as possible.

Sir Albert Hime then left to attend the Customs Conference.

5.—PURCHASE OF RAILWAY STORES: PROPOSED JOINT PURCHASE AGENCY.

Attention was drawn to Minute No. 43 of the South African Railway Officers' Conference (Johannesburg, March, 1903) on this subject.

The Chairman pointed out the advantages likely to result from the adoption of concerted action in the purchase of Railway Stores, and urged at least the interchange of particulars of the Stores requirements of the various Administrations from time to time.

After discussion it was decided to at once refer the whole matter to the Stores Officers of the respective Administrations for report, as a preliminary to a Conference of Stores Officers to consider what action could be taken to improve the present practice.

6.—TRANSFER OF RAILWAY SERVANTS.

The Chairman referred to the hardship entailed on the staff by Administrations refusing to allow transfer of members of their staff desiring it to other Administrations. He pointed out that persistence in this policy would result in the Central South African Railways being compelled to import a large number of Officers and other employees from outside South Africa, in order to fill positions to which Officers of long service in other South African Railway Administrations might have been appointed to mutual advantage. The result would be that a number of young men with short service in South Africa would be occupying responsible positions on the Central South African Railways, superior to those occupied by Officers of much longer service in the Coastal Administrations. This he thought would hardly result in advantage to South Africa.

Sir David Hunter recommended adoption of the policy, which he had followed in Natal for 23 years, of training youths to Railway Service, many of whom are now filling important positions. The encouragement of young men who applied for employment from Home Railway Service to try their fortunes in South Africa had also strengthened South African Railway Service and it should also be mentioned that a considerable number of men from the Natal Railway Service were now in the service of the Central South African Railways.

Mr. Price also urged the advisability of transfers being allowed, the proper channels through which such transfers are to be asked for and sanctioned being defined. Such a policy was advisable, firstly, in order to secure contentment amongst the Staff, and, secondly, so as not to

compel the Central South African Railways to adopt the course necessarily followed by it in its dealings with British Railways, where clerks and other employees from those Railways, offering themselves for employment on the speaker's Administration, had to be accepted without the previous special concurrence of the management of those Railways.

After some discussion it was decided to adjourn the question for further consideration at a meeting at which Sir Albert Hime would be present.

7.—PENSION (OR SUPERANNUATION) FUND.

The question of the advisability of introducing a Joint Pension or Superannuation Fund for all South African Railway Administrations was introduced.

It was decided to postpone the subject for discussion until Sir Albert Hime is present.

8.—INTER-RAILWAY FREE PASSES FOR

(A) MINISTERS.

(B) JUDGES OF HIGH COURTS.

Decided to adopt the principle throughout the Lines of the various South African Railway Administrations, of issuing Free Inter-Railway Complimentary Passes to Judges of the Supreme Courts, and Members of the Executive Councils of the various Colonies.

9.—PASSENGER FARES.

The Chairman mentioned that it was the intention of his Administration to reduce its passenger fares. This local reduction would, however, affect the present through fares, and he was therefore desirous of knowing before the Central South African fares were altered, which alterations would take some time and cost a considerable sum to effect, whether the other Administrations were prepared to also join in the reductions. He urged that the matter should be dealt with early as great pressure was being brought to bear upon his Administration to reduce its local fares without delay.

Mr. Douglass mentioned that he had for some time held the view that the Cape passenger fares in long distance traffic should be reduced. The matter had also received the consideration of his Officers.

It was agreed that the General Manager of the Central South African Railways should furnish the other Administrations with particulars of the proposed reductions on the Central South African Railways so that they might consider and inform him at the earliest practicable moment whether they would care to make any reductions.

10.—RATES FOR COAL FROM NATAL TO CAPE COLONY.

The Natal Administration was requested to communicate with the other Administrations on this subject.

II.—PROPOSED NEW LINES TO CONNECT THE CENTRAL SOUTH AFRICAN RAILWAYS WITH THE CAPE GOVERNMENT RAILWAYS, NATAL GOVERNMENT RAILWAYS, AND RHODESIA RAILWAYS.

The Chairman detailed the recommendations of the recent Railway Extension Conference concerning the building of new lines to connect the Central South African Railways with the Cape, Natal, and Rhodesia Lines.

(a) Connection with Northern System of Cape Government Railways.

The Chairman undertook that the Central South African Railways would not ask for a junction of the Springfontein—Koffyfontein Line (under construction) with Kimberley until the Klerksdorp—Fourteen Streams Line is under construction by contract or in course of Departmental construction.

Subject to this proviso Mr. Douglass gave an undertaking that the Cape Government would allow a connection when desired between Springfontein—Koffyfontein Line, at either Modder River or Kimberley or at such point between those stations as may be mutually agreed.

Mr. Douglass stated that he was personally in favour of the junction being at Modder River instead of at Kimberley, and Mr. McEwen strongly recommended this.

(b) Aliwal North—Rouxville—Wepener.

Mr. Douglass inquired whether there was any intention to recommend a connecting line from Aliwal North through Rouxville to Wepener.

The Chairman replied that there was no such present intention on the part of his Administration.

Mr. Douglass asked whether the Central South African Administration would raise any objection to the line being built by private enterprise or by the Cape Government.

The Chairman thought not and stated he would be prepared to recommend same provided it was understood that if the Cape Government built the line it would only be allowed to do so on the same terms as anyone else.

(c) Railway to Marico and Zeerust.

Mr. Douglass asked whether in the case of this line it was the intention to build an extension to connect it with the Rhodesia Railways and if so whether Mafeking would be the point of Junction.

The Chairman replied that the intention was to connect with the Rhodesia Railways and while no survey had yet been made it was thought the junction would be at a point north of Mafeking.

Mr. Douglass asked whether there was any objection to building the line with Mafeking as the point of junction.

The Chairman replied that the primary object of the line was to develop the Rustenburg and Marico Districts. The intention was to build the line from Krugersdorp or Pretoria to a point on the Rhodesia Railways in such a manner as to develop the whole of these Districts.

Mr. Douglass asked if the Chairman would raise any objection to private or other enterprise building a line from Mafeking to join that line in the Zeerust District.

The Chairman replied there would be no objection on his part.

The Conference adjourned until 10 a.m., March 21st, 1903.

MINUTES OF MEETING

OF

Conference of South African Railway Administrations,

HELD IN THE

RAADZAAL, BLOEMFONTEIN, SATURDAY, 21st MARCH, 1903, 10 A.M.

PRESENT:—

Lieutenant-Colonel Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Commissioner of the Central South African Railways (in the Chair).

Hon. Arthur Douglass, M.L.A., Commissioner of Public Works T. S. McEwen, Esq., A.M.I.C.E., General Manager of Railways	Cape Colony.
Right Hon. Sir Albert Hime, K.C.M.G., P.C., Prime Minister Sir David Hunter, K.C.M.G., General Manager of Railways	Natal.
T. R. Price, Esq., C.M.G., General Manager	Central South African Railways.

The Minutes of the previous day's Meeting were read and confirmed, as amended.

II.—PROPOSED NEW LINES TO CONNECT THE CENTRAL SOUTH AFRICAN RAILWAYS WITH THE CAPE GOVERNMENT RAILWAYS, NATAL GOVERNMENT RAILWAYS AND RHODESIA RAILWAYS—(Continued).

During discussion of the previous day's Minutes on this subject, Sir Albert Hime desired that it be recorded that Natal considered that the grain line from Harrismith to Bloemfontein, through Ficksburg, is of great importance, and that the continuation of the line from Bloemfontein to Kimberley would also be of great importance so far as Natal is concerned.

6.—TRANSFER OF RAILWAY SERVANTS.
7.—PENSION (OR SUPERANNUATION) FUND. } *(Continued).*

Sir Albert Hime expressed himself as favorable to the principle of allowing railway servants to transfer from one Administration to another provided the General Manager or head of the Administration was approached first. It would be wrong to approach a man direct and then refer to his Government.

Sir David Hunter observed that was practically in accord with the custom now obtaining between the various Administrations.

Mr. Douglass said the question affected not only the Railway, but the Civil Service generally, which in the case of the Cape had been very much handicapped by the heavy drain upon its several departments to supply the requirements of the Inland Colonies.

Sir Albert Hime remarked that the heavy drain was unlikely to continue. Up till now it had been a necessary consequence of the building up of new services in the Inland Colonies, and this necessity would disappear in the near future, and had, he believed, largely done so already. He instanced the case of an Officer who had, at his own urgent request, been allowed to return from the Transvaal to his former position in the Natal Service.

Mr. Douglass said he had reason to know of others desirous of returning to the Cape Service.

The Chairman replied that his Administration had always been and would be very ready to assent to such re-transfer, and then proceeded to point out that the requirements of his Administration would probably always be considerable, and unfortunately generally to the disadvantage of the Coast Colonies, as the Mining and Commercial industries in Johannesburg absorbed a large number of Central South African Railway employees. He further pointed out that without some system of transfer men brought out from home would, with very little South African Railway service, take up the promotion due to South African Railway men of long experience.

Sir David Hunter wished it recorded that a considerable number of men from his Administration had been transferred to the Central South African Railways.

Mr. Douglass pointed out that Cape Railway men, who were contributors to the Pension Fund and transferred to the Central South African Railways, carried their Pension Fund rights along with them, provided, of course, the transfer was agreed to by the Cape Adminstration.

Sir Albert Hime said the custom in Natal was similar with their Superannuation Fund, only the man's connection with Natal ceased, as he was repaid his contributions to the Superannuation Fund with the interest on same due to him.

The Chairman asked if the three Administrations would be prepared to deal with the question of Pension (or Superannuation) Funds by correspondence, embodying any suggestions the General Managers had to bring forward with a view to uniformity on the question of Superannuation.

Sir Albert Hime read the following resolution in Minute 40 of the General Manager's Conference :—

> "That it is desirable, if possible, to assimilate the various Pension and "Superannuation Funds in operation on the South African Railway "Administrations ; and that the Chairman be requested to nominate an "officer to collate particulars of the various systems, the Chairman "thereafter to prepare and submit for consideration to the several "Administrations a draft of the proposed uniform Superannuation and "Pension Fund Regulations."

It was agreed that the foregoing resolution be the decision of the Conference in the matter.

Mr. Price added that he would be quite prepared to advise the Coast Administrations of vacancies which he would like filled by South African Railway men and the value of such appointments, provided the arrangement was made reciprocal. The General Managers of the Coast Administrations could then recommend such suitable men as they could spare.

Sir David Hunter thought this would be an excellent system.

Mr. Douglass said that method was in vogue all over the world.

The Chairman pointed out, however, that hitherto it had not been the practice with South African Administrations, except in a few very rare cases.

COMPLETE COPIES OF MINUTES.

On the motion of Sir David Hunter, it was agreed that the Chairman and Secretary be authorised to revise to-day's Minutes, and that the Commissioners of Cape Colony, Natal, Central South African Railways, and Caminho de Ferro de Lourenço Marques sign four copies as a final ratification of the completed Minutes, 3,000 copies of which be published in book form, with the exception of the summary of the alterations in rates, but the proceedings are not to be published unless called for by Parliament.

The Chairman suggested the publication of a summary of the decisions affecting rates as early as possible, so as to give the public as much notice as possible of the alterations which were to take effect as from 1st of July.

On the motion of Sir David Hunter it was agreed that the alterations decided upon be announced by all Administrations on the 31st March, with the following uniform heading, viz :—

"THE FOLLOWING SUMMARY OF ALTERATIONS IN THROUGH GOODS "RATES FOR CIVIL TRAFFIC, TO TAKE EFFECT FROM 1st OF JULY, 1903, "IS PUBLISHED FOR PUBLIC INFORMATION."

Close of Conference.

Mr. Douglass said : Mr. Chairman, on behalf of Sir Albert Hime, myself, and the General Managers present, I beg to thank you for your courtesy in the chair, and for the agreeable manner in which the whole proceedings have been conducted.

The Chairman in replying said : Mr. Douglass, Sir David Hunter, and Mr. McEwen, I have to thank you very much for the kind way in which you have met us in this our first meeting under altered circumstances, and I hope that in any future meeting we shall meet with the same good feeling to the advantage of our Railway Administrations, and to the people of South Africa. I should like to offer a vote of thanks on our behalf to the other Railway Officers who have attended the Conference, and to our indefatigable Secretary and the gentlemen of the Administrations who have assisted him. They have been up early and late, and I think their work has been beyond all credit, and has materially assisted in our getting through the work so quickly.

This was agreed to, and the proceedings of the Conference terminated.

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ANNEXURE A.

PROPOSALS OF

Central South African Railway Administration.

(Handed in by Sir Percy Girouard, K.C.M.G., D.S.O., R.E., Railway Commissioner.)

PROPOSAL No. 1.

To transfer :—

(NOTE.—At GENERAL MANAGERS' CONFERENCE, at Johannesburg, on March 6th and 7th, 1903, the C.S.A.R., N.G.R. and C.F.L.M. agreed to the transfer of the undermentioned articles as shown, and the concurrence of the C.G.R. only is now awaited to adopt the same.)

A.—FROM NORMAL TO INTERMEDIATE RATE.

Asbestos
Balusters (Iron, Undamageable)
Bridge Work (Iron, Undamageable)
Castor Oil
Caustic Soda
Cocoa-Nut Oil
Cotton Seed Oil
Electrical Cable
Grease
Ground Nut Oil
Gypsum (Ground)
Imported Trees
Iron Buckets, without handles, used for Sanitary purposes
Jute
Lard Oil
Lead (White or Red)
Linseed Oil
Machine Oil
Oakum, for Packing
Palm Oil
Paraffin Oil
Plaster of Paris (Ground)
Putty
Rape Oil
Safes (Iron, Undamageable)
Steel Ceilings (Undamageable)
Sunflower Seeds
Tallow
Tinplate (Undamageable)
Traction Wagons
Vaseline

B.—FROM INTERMEDIATE TO ROUGH GOODS RATE.

Fencing Material.

PROPOSAL No. 2.

To transfer :—

(A) Articles of food in general consumption.
(B) Certain articles used by Workmen and the smaller Tradesmen in their employment.
(C) Other similar items

from the

NORMAL TO THE INTERMEDIATE RATE.

(A)—ARTICLES OF FOOD AND GENERAL CONSUMPTION:—

Aerated Waters
Ale
Bacon
Beer
Biscuits
Brandy (South African)
Butter
Butterine
Cheese
Chicory
Chocolate
Cider
Cocoa
Condiments
Cornflour
Cordials
Currants
Dates
Eggs
Fat
Fish (Preserved and Dried)
Ghee
Golden Syrup
Groceries, not otherwise mentioned (details to be mutually agreed upon)
Hams
Honey
Infants' Food
Jam
Lard
Lime Juice
Lemon Squash
Lemon Syrup
Macaroni
Margarine
Milk (Condensed)
Meats (Tinned and Dried)
Mustard
Onions
Pickles
Preserved Fruits, Jellies and Vegetables
Raisins
Saccharine
Salt (Table)
Starch
Soup (Tinned)
Stout
Syrup
Tea
Tobacco and Vermicelli.
Wine (South African)

(B) AND (C)—ARTICLES IN GENERAL USE, on which Reduction in Rates is calculated to cheapen cost of living, as well as reduce the cost of production and of building:—

(*NOTE.—Of course it is understood that possibly the whole of the following may not be included in the articles to be transferred now, but most of them should most certainly be so, and the remainder are desirable and should, in any case, be transferred on the occasion of any future revision of rates.*)

Acorns
Aloes
Alum
Anti-Petrine (in bags)
Augurs
Awls
Axe Heads
Axe Handles
Axle and Axle Boxes
Barrows
Basic Slag
Bath Bricks
Beadings & Mouldings (Undamageable)
Bellows
Belting
Benches (Carpenters')
Black Lead
Blacking
Books
Boot Polish
Brooms
Brace Bits (Carpenters' Tools)
Brass and Copper Wire
Brushware
Buchu
Carpenters' Tools
Casks and Tubs
Chisels
Creosote
Cricketing & Football Necessaries
Dam Scrapers
Disinfectants
Disselbooms
Doors and Door Frames (Undamageable)
Empty Packages
Felloes
Forges
Fuel, Patent
Furniture (Schoolroom)
Galvanized Iron (Unpacked)
Glucose
Gum
Granite, Dressed or Polished (Undamageable)
Grave Stones or Tombstones
Guhr Impregne
Hair, for Plasterers' Purposes
Harness & Horse Collars
Hatchets
Hydroline (for wool-washing purposes)
Jars (Undamageable)
Joiners' Work
Kettles, Pots and Lids (Undamageable)
Ladders
Leather
Lime, Chloride of
Mangles
Masons' Tools
Naves and Spokes
Packing Paper
Paints
Pick Handles (Undamageable)

Planes
Polish, Furniture
Railings (Cast or Wrought Iron, Undamageable)
Rogo, for wool-washing purposes
Saddlery and Harness
Sail Cloth
Sashes (Window)
Saws
Screws
Shooks
Skeys
Soda
Spanners, Tool
Spiders, Packed in cases
Springs (Carriage)
Stationery
Staves, Cask
Stones, Polished (Undamageable)
Talc
Thatching Reeds
Tiles of greater value than £10 per ton Undamageable).
Tin Ware (for Domestic Purposes—Undamageable)
Tools (Tradesmen's, not otherwise defined)
Traces (Saddlery)
Turmeric
Vehicles and Accessories (Packed Undamageable)
Vices
Wagon Wood (as defined on page 36 of Natal Government Railways Tariff Book)
Wagons—Railway
Water Carts (securely packed)
Wheelbarrows
Wheels, Amaril
Wheels, Iron (not otherwise mentioned)
Whipsticks
Whiting
Window Sashes and Frames (Undamageable)
Wire (Brass and Copper)
Yokes

PROPOSAL No. 3.

To transfer from :—

INTERMEDIATE TO ROUGH GOODS RATE.

Cement
Fencing Material, including Wire Netting, Gates and Hurdles (undamageable)
Galvanized Iron, packed.
Ice
Irrigation Machinery (undamageable)
Meat
Salt, Rock, &c., South African, in bulk
Sheep Dip
Soap, for wool-washing purposes
Soda, for wool-washing purposes

PROPOSAL No 4.

ROUGH GOODS RATE.

In the event of the foregoing proposals (*i.e.* Nos. 1-3) to transfer from one class to another being approved, it is not proposed that the existing scale of rates for Normal and Intermediate Classes shall be disturbed, but in the case of the Rough Goods Rate it is considered that the rates should be reduced by at least from (say) 10 to 15 per cent.

The Rough Goods Rate includes such articles as :—

Asphalt
Bags, Coal, Grain, Flour, Sugar and Woolpacks
Bricks
Brimstone
Charcoal
Coal
Coke
Earthenware Pipes and Pots (rough)
Firewood
Granite—Undressed
Iron (rough, cast, and scrap)
Manure
Dynamite Ingredients
Paving Blocks, Wooden
Plaster of Paris, Unground
Roofing Slates
Tar
Timber, Rough and Unplaned, including Logs, Deals and such like.

PROPOSAL No. 5.

To convey:—

DYNAMITE AT NORMAL RATE, ACTUAL WEIGHT.

Dynamite is at present carried over Cape Government Railways (and Orange River Colony section of Central South African Railways) from Ports to Mid Vaal River at Cape—O.R.C. proportion of Intermediate Rate, actual weight, and from Mid Vaal River onwards to destination at Normal Local Rate at computed weight.

Similarly, in the case of Durban and Lourenço Marques the traffic is carried to the Border at Volksrust at Intermediate Rate, and to Komati Poort at the Normal Rate, and from the Borders onwards at the Normal Central South African Railway Rates at computed weights.

The effect of this arrangement is that the dynamite rates to Johannesburg from Durban and Lourenço Marques are considerably higher, especially in the case of Lourenço Marques, than from Port Elizabeth.

This obviously inequitable arrangement cannot continue, and it is suggested that the existing rates be substituted by actual weight at the Normal Rate, which would be to Johannesburg :—

	Per 100 lbs.
From Lourenço Marques	7s. 0d.
,, Durban	7s. 8d.
,, East London	7s. 8d.
,, Port Elizabeth	8s. 1d.
,, Cape Town	10s. 10d.

The present Rates for DYNAMITE are:—

From	To Mid. Vaal R.	To Border.	Over C.S.A.R.	Total.
	Per Ton.	*Per Ton.*	*Per Ton.*	*Per Ton.*
Lourenço Marques	...	... £1 0 0	... £8 5 0	... £9 5 0
Durban	...	.. 3 11 8	.. 4 6 8	.. 7 18 4
Port Elizabeth	£4 16 8	... ..	1 11 8	... 6 8 4

If a consignment weighs 7 tons the computed weight over the Central South African Railways would be as for 10 tons. Consequently a 7-ton consignment would be charged :—

From	To Mid Vaal R.	To Border.	Over C.S.A.R.	Total.
Port Elizabeth	£33 16 8	... ...	£15 16 8	... £49 13 4
Durban	...	£25 1 8	... 43 6 8	... 68 8 4
Lourenço Marques	...	7 0 0	... 82 10 0	... 89 10 0

PROPOSAL No. 6.

IMPORTED AND SOUTH AFRICAN PRODUCE AND SOUTH AFRICAN MANUFACTURES.

There are at the present time three methods of charging for Produce described as South African (viz., two in Transvaal and one in Orange River Colony), and similarly, in the case of Imported Produce there are two methods of charging over Central South African Railways (viz., one method in Orange River Colony, and one in Transvaal).

Further, the Cape Railway charges for imported Produce from the Ports to their local or to Orange River Colony stations are at the rates of 1d. per ton per mile, while, if the same consignment goes to the Transvaal, the Cape receives as its share of the Through Rate at the rate of 1·8d per ton per mile.

Obviously this anomalous state of affairs cannot possibly continue to exist, and with a view to effecting a remedy over the Central South African Railways, it is proposed to charge at the Coal Rate (Tariffs 7 and 9) for such Produce over Central South African Railways with a minimum of 1d. per ton per mile, both Imported and Local, leaving the coast Administrations free to charge such rates as they may decide in view of their own local difficulties, as regards the South African Produce Rates, on their own lines, subject to the reservation that their rate shall not exceed their present rate for Imported Produce during the term of any Customs Union entered into, without the assent of the other Railway Administrations concerned.

As regards South African Manufactures, the same rule to apply with the exception that it may possibly be necessary to make some difference over the Central South African Railways, as between South African and Imported—for instance, in the case of Ale, Beer and Stout—but every endeavour will be made to minimize, if not to avoid entirely, such differences, especially in view of the letters received from the Right Honourable the Secretary of State for the Colonies on the subject.

ANNEXURE B.

PROPOSALS OF
Cape Government Railways.

(Handed in by Hon. Arthur Douglass, M.L.A., Commissioner of Public Works.)

CLAUSE 1.

(1) That the rate for conveyance of Railway Stores shall be $\frac{9}{10}$ d. per ton per mile, and that the rate for railway coal in trucks returning empty shall be $\frac{1}{7}$d. per ton per mile; but where trucks are specially worked North to bring back coal the rate shall be 6s. per ton extra.

(2) That the rates Delagoa Bay, Durban and East London be fixed at the present through rate from Delagoa Bay to the Transvaal—Port Elizabeth and Cape Town to be reduced in proportion.

To JOHANNESBURG. From	Mileage.	Normal Rates.			Intermediate Rates.			Rough Goods Rates.		
		Proposed.		Present	Proposed.		Present.	Proposed.		Present.
		Per Ton per Mile	Per 100 lbs.	Per 100 lbs.	Per Ton per Mile	Per 100 lbs.	Per 100 lbs.	Per Ton per Mile	Per 100 lbs.	Per 100 lbs.
Lourenço Marques ...	396	4·24d	7s or £7 per ton	7s 0d	3·03d	5s or £5 per ton	5s 0d	2·53d	4s 2d or £4 3s 4d per ton	4s 2d
Durban	485	3·47d	7s 0d	7s 8d	2·47d	5s 0d	5s 9d	2·06d	4s 2d	4s 11d
East London	666	2·52d	7s 0d	7s 8d	1·80d	5s 0d	5s 9d	1·50d	4s 2d	4s 11d
Port Elizabeth	715	2·49d	7s 5d	8s 1d	1·79d	5s 4d	6s 2d	1·48d	4s 5d	5s 3d
Cape Town	1015	2·34d	9s 11d	10s 10d	1·67d	7s 1d	8s 2d	1·42d	6s 0d	7s 1d

Apportionment to be made on the same basis as at present.

The present Classification to be retained. A further reduction in addition to that proposed above of 13 per cent. to be made for the following products, viz.:—Mealies, rice, flour, meal, meat (chilled, fresh or frozen).

CLAUSE 2.

That the Through Rate for the Orange River Colony be calculated as between the Ports Lourenço Marques, Durban and East London and Smaldeel (O.R.C.)—Port Elizabeth and Cape Town in proportion.

That the rate from the three selected Ports of entry be to Smaldeel:—

		Normal. 6s. 10d.	Intermediate. 4s. 11d.	Rough. 4s.1d.
From	Distance.	Per Ton per Mile.	Per Ton per Mile.	Per Ton per Mile
Lourenço Marques	577	2·84d.	2·04d.	1·7d.
Durban ...	650	2·52d.	1·82d.	1·51d.
East London ...	465	3·52d.	2.54d.	2·11d.

Division to be on a mileage basis as at present. The Classification to be the same as the present Classification in the through traffic to the Transvaal.

Rate on Explosives to be considered independently.

ANNEXURE C.

(Copy of Letter from Engineer-Director, Caminho de Ferro de Lourenço Marques.)

Bloemfontein, 17th March, 1903.

Dear Sir,

In view of the desire of some members of the Conference to abolish some portion of the *modus vivendi* between the British Government and my Government to our disadvantage, which I am sure my Governor-General and the Minister at Lisbon had no idea would be suggested, I have the honour with much respect to state that I cannot attend the Conference to consider such a proposal until I have instructions from my Government, which I have telegraphed for.

I should be ready to attend to discuss the proposal to alter rates on the present basis, as put forth in your statement, or any similar plan, on your giving me due notice.

With much esteem,

I am,

Your obedient Servant,

(Sgd.), CARLOS H. ALBERS.

To

Sir Percy Girouard,

Chairman of the Conference.

ANNEXURE D.

Copy of Letter from Engineer-Director,
Caminho de Ferro de Lourenço Marques.

Bloemfontein, 17th March, 1903.

Dear Sir,

Regarding my letter of to-day, I have now received the reply of my Government of which I enclose a rough translation of the telegram in English, in case the members of the Conference are not familiar with the Portuguese language. You will see that, as I expected, my Governor-General is not willing to allow part of an Agreement entered into by the British Government to be broken to the serious disadvantage of my Government so long as the Agreement is in force.

With much esteem,

I am,

Your obedient Servant,

(Sgd.), CARLOS H. ALBERS.

To Sir Percy Girouard, Chairman of the Conference.

ANNEXURE E.

Translation of Telegram referred to in preceding Letter.

From Lancastre,

Governor-General. Bloemfontein.

I ask to tell Albers immediately that his telegram is not quite clear. I see that they have intention to alter Clause 4 of the *modus vivendi.* This only the Government at Lisbon can do, and I should never recommend.

It should be good to say that abrogation of Clause 4 should bring with it denunciation of all the *modus vivendi*—Terms of Clause 12 immediately for the fast delivery of Natives should be cancelled.

The Transvaal Government is obliged during a year to keep the loyal observance of Clause 4.

ANNEXURE F.

South African Railway Administrations.

SUMMARY OF ALTERATIONS

IN REGARD TO

THROUGH GOODS RATES FOR CIVIL TRAFFIC

AGREED TO AT THE CONFERENCE

HELD IN

The Raadzaal at Bloemfontein, March, 1903.

(Referred to in Minutes of Meeting of Friday, 20th March, 1903.)

NO 1.—TO TRANSFER FROM THE NORMAL TO THE INTERMEDIATE RATE

Asbestos
Balusters (Iron, Undamageable)
Bridge Work (Iron, Undamageable)
Castor Oil
Caustic Soda
Cocoa-Nut Oil
Cotton Seed Oil
Electrical Cable
Grease
Ground Nut Oil
Gypsum (Ground)
Imported Trees
Iron Buckets, without handles, used for Sanitary purposes
Jute
Lard Oil
Lead (White or Red)
Linseed Oil
Machine Oil
Oakum, for Packing
Palm Oil
Paraffin Oil
Plaster of Paris (Ground)
Putty
Rape Oil
Safes (Iron, Undamageable)
Steel Ceilings (Undamageable)
Sunflower Seeds
Tallow
Tinplate (Undamageable)
Traction Wagons
Vaseline

No. 2.—TO TRANSFER FROM THE NORMAL TO THE IDTERMEDIATE RATE.

ARTICLES OF GENERAL CONSUMPTION:—

Aerated Waters
Ale
Bacon
Beer
Biscuits
Brandy (South African)
Butter
Butterine
Cheese
Chicory
Chocolate
Cider
Cocoa
Condiments
Cornflour
Cordials
Currants
Dates
Eggs
Fat
Fish (Preserved and Dried)
Ghee
Golden Syrup
Groceries, not otherwise mentioned (details to be mutually agreed upon)
Hams
Honey
Infants' Food
Jam
Lard
Lime Juice
Lemon Squash
Lemon Syrup
Macaroni
Margarine
Milk (Condensed)
Meats (Tinned and Dried)
Mustard
Onions
Pickles
Preserved Fruits, Jellies and Vegetables
Raisins
Saccharine
Salt (Table)
Starch
Soup (Tinned)
Stout
Syrup
Tea
Tobacco and Vermicelli.
Wine (South African)

NO. 3.—TO TRANSFER FROM THE NORMAL TO THE INTERMEDIATE RATE.

Acorns
Aloes
Alum
Anti-Petrine (in bags)
Augurs
Awls
Axe Heads
Axe Handles
Axle and Axle Boxes
Barrows
Basic Slag
Beadings & Mouldings (Undamageable)
Bellows
Black Lead
Blacking
Brace Bits (Carpenters' Tools)
Brass and Copper Wire
Buchu
Chisels
Creosote
Dam Scrapers
Disinfectants
Disselbooms
Doors and Door Frames (Undamageable)
Felloes
Forges
Furniture (Schoolroom)
Galvanized Iron (Unpacked)
Glucose
Gum
Hair, for Plasterers' Purposes
Harness & Horse Collars
Hatchets
Hydroline (for wool-washing purposes)
Jars (Undamageable)
Kettles, Pots and Lids (Undamageable)
Leather
Lime, Chloride of
Mangles
Naves and Spokes
Paints
Pick Handles (Undamageable)
Planes
Rogo, for wool-washing purposes
Saddlery and Harness
Saws
Screws
Shooks
Skeys
Soda
Spanners, Tool
Staves, Cask
Tin Ware (for Domestic Purposes—Undamageable)
Tools (Tradesmen's, not otherwise defined)
Traces (Saddlery)
Vices
Wagon Wood (as defined on page 36 of Natal Government Railways Tariff Book)
Wheelbarrows
Whipsticks
Whiting
Window Sashes and Frames (Undamageable)
Yokes

No. 4.—TO TRANSFER FROM THE INTERMEDIATE TO INTERMEDIBATE. RATE, VIZ.: PRESENT INTERMEDIATE RATE LESS $14\frac{2}{7}$THS PER CENT.

Cement
Galvanized Iron, packed
Sheep Dip
Salt (Coarse)
Salt, Rock, packed
Soap, for wool-washing purposes
Soda, for wool-washing purposes

No. 5.—ROUGH GOODS RATE IN THROUGH TRAFFIC TO BE REDUCED BY 10 PER CENT.

No. 6.—TO TRANSFER FROM THE INTERMEDIATE TO THE ROUGH GOODS CLASS AS ALTERED.

Fencing Material.
Meat, fresh, chilled or frozen.
Fish, South African, fresh, dried or pickled.
Boxwood.
Glycerine.
Hay, Imported, pressed, in bales.
Lucerne, do., do., do.
Oathay, do., do., do.
Straw, do., do., do.

No. 7.—TO RETAIN SOUTH AFRICAN PRODUCE CLASS RATE, VIZ. :— 1-3RD NORMAL OVER CENTRAL SOUTH AFRICAN RAILWAYS FOR THE FOLLOWING ARTICLES:—

Ale	Eggs	Skins
Aerated Waters	Fruit, dried and fresh	Stout
Bamboos	Hides	Sugar
Bark (packed in sacks)	Horns	Sugar Cane
Beer	Jams, and Jellies	Tallow
Biscuits	Leather (unmanufactured)	Tea
Bones (in bags)	Manure, artificial (in bags)	Tobacco
Bran	Milk (Fresh)	Treacle
Butter	Raisins	Trees (for planting)
Candles	Reeds	Vegetables (fresh)
Cheese	Refuse	Vinegar
Coffee	Salt	Wool

TO RETAIN TARIFF No. 9, OVER CENTRAL SOUTH AFRICAN RAILWAYS, WHEN SOUTH AFRICAN PRODUCTIONS AND IN TRUCK LOADS.

Chaff, in bales	Hay, pressed	Oathay, pressed
Forage, pressed	Lucerne, pressed	Straw, pressed

No. 8.—IMPORTED PRODUCE CLASS.

For articles mentioned in Art. 18 of existing Customs Union Tariffs, viz. :

Corn and Grain, viz. : Barley, Maize, Millet, Oats, Rye, Wheat, Beans and Peas ; (*a*) in the Grain ; or (*b*) Crushed, Flaked, Ground, Hulled, Malted. Pearled, Split or otherwise prepared, except Oats not in the Grain and Bran ; (*c*) Flour, Wheaten, or Wheaten Meal, including Pollard.

East London and Durban to Johannesburg -	-	£3	10	0	per ton.
* Lourenço Marques to Johannesburg - -	-	3	0	0	„ „

Rates from Port Elizabeth and Cape Town to Johannesburg to be in proportion.

No. 9.—DYNAMITE. AND OTHER EXPLOSIVES.

To be carried at the Through Normal Rate, Actual Weight.

* Subject to notification of confirmation of approval.

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